



Toms River Regional School District

Toms River Board of Education
Toms River, New Jersey 08753

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

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**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
TOMS RIVER REGIONAL SCHOOLS
TOMS RIVER, NEW JERSEY**

YEAR ENDED JUNE 30, 2022

**PREPARED BY DISTRICT SCHOOL BUSINESS
ADMINISTRATOR'S OFFICE**

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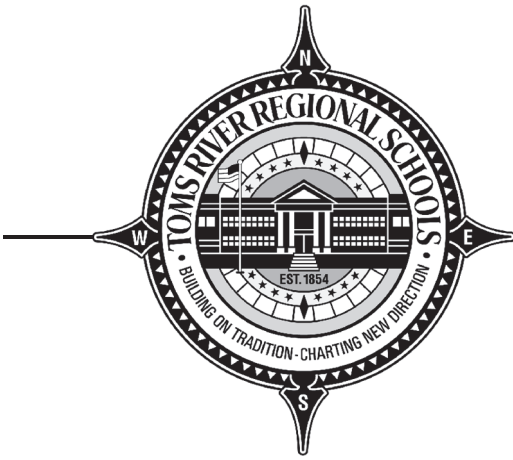
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INTRODUCTORY SECTION

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TOMS RIVER REGIONAL SCHOOLS

1144 Hooper Avenue, Toms River, NJ 08753
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March 6, 2023

Honorable President and
Members of the Board of Education
Toms River School District
County of Ocean, New Jersey

Dear Board Members and constituents:

The Annual Comprehensive Financial Report of the Toms River Regional School District for the 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 of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2022, and the respective changes in financial position and cash flows, where applicable, for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The ACFR is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter (designed to complement Management’s Discussion and Analysis and should be read in conjunction with it), the District’s organizational chart, a roster of officials, independent auditors and advisors. The financial section includes Management’s Discussion and Analysis, basic financial statements, required supplementary information and supplementary information, as well as the auditors’ report therein. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, the Federal 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 independent auditors’ reports on internal control and compliance with applicable laws and regulations and findings and questioned costs, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The Toms River School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and the government-wide financial statements of the



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District are included in this report. The Toms River Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services for students in grade levels Pre-K through 12, including programs for students with special needs. The district has 18 schools (3 high schools, 3 intermediate schools and 12 elementary schools) plus one early learning center satellite location on the first floor of the administration building at 1144 Hooper Avenue, Toms River. In November 2017, the district approved a \$17.8 million Energy Savings Improvement Program (ESIP) to address capital needs including lighting, energy management and certain unit ventilators, boilers and chillers. On January 22, 2019, the Toms River Regional Schools community approved a referendum for \$147.1 million to address many significant capital needs, given the age and condition of the existing school buildings.

The District's average daily enrollment for 2021-2022 school year increased by 36.1 students from the previous year's enrollment. The following details the changes in the student enrollment of the District for the past five years. These figures are based upon average daily enrollment.

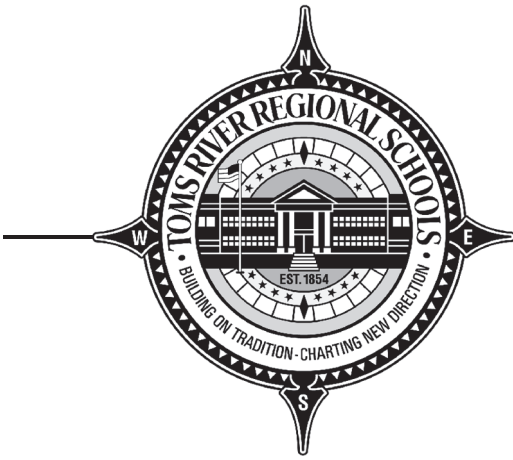
Average Daily Enrollment

Fiscal Year	Student Enrollment	# Students (+/-)	Percent Change
2017-18	15,399.5	-203.3	-0.0130%
2018-19	15,254.5	-145.0	-0.0094%
2019-20	15,046.5	-208.0	-0.0136%
2020-21	14,367.0	-679.5	-0.0452%
2021-22	14,403.1	+ 36.1	+0.0025%

Enrollments in 2022-23 are expected to remain relatively flat. Our most recent demographic study projected a fairly stable number of students over the next 3 to 5 years (just a slight decrease in enrollments projected), pending the completion of the planned housing units in the towns in the regional district.

2. ECONOMIC CONDITION AND OUTLOOK

Local, state, and federal economic conditions continue to create economic challenges and uncertainty for all entities, including the school district. The 2022-2023 School Budget was approved by the Board of Education in April 2022 and the budget as presented provides for a thorough and efficient education, although that is becoming more and more difficult with each passing year given P.L 2018, Chapter 67 (known as 'S2'). The overall tax levy (general and debt service levy) increase with the 2022-2023 budget was 1.9% or \$3.303 million. The tax increases for the average home in the four towns in the regional district ranged from 0.1% to 3.6%, although Toms River Township's impact could not be determined



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because of their recent tax reassessment. It should be noted that given the Department of Education's allocation of taxes between the constituent municipalities in the regional district being based on equalized valuations, even smaller percentage changes in the largest ratable base (Toms River Township) can have a significant impact on the tax allocation for the other communities in the district.

With the implementation of P.L 2018, Chapter 67, the district now expects to cumulatively lose over \$111.6 million in State Aid, based on the calculator provided by New Jersey Association of School Business Officials, over the 7-year phase-in period. These aid cuts have already had a serious negative impact since implementation in 2018-19, including the reduction of 154 staff positions, the reduction of line-item and departmental budgets, and the need for our district to fund the equivalent of 90 staff positions through ESSER and ESSER-ARP grant funds on a temporary basis. The district has made it quite clear that between Chapter 67 and the temporary utilization of grant funds, the district is facing a steep fiscal cliff in the 2024-25 budget cycle. The district continues to pursue all means of addressing the loss of State Aid, including through legislative channels and joint litigation with other districts, given the glaring and known material flaws in the State Aid formula that continue to generate unjust allocations.

The District continues to be concerned about the status of the economy and the fiscal health of the State of New Jersey. The State again delayed the payment of the final two State Aid payments for the year, totaling \$4,873,892 as of June 30, 2022. Although the District will continue to strive to find fiscal efficiencies in all aspects of our operations, we remain concerned about our levels of surplus and reserves, the impact of the 2% annual property tax levy cap, and most notably the impact of current and future allocations of State Aid.

3. MAJOR INITIATIVES

English/Language Arts:

K – 5

At the elementary level we are excited to be implementing a new literacy program called Amplify Core Knowledge Language Arts (CKLA). Amplify CKLA is a unique core curriculum for grades PreK–5 that's grounded in the Science of Reading and combines rich, diverse content knowledge in history, science, literature, and the arts with systematic research-based foundational skills instruction. Amplify CKLA inspires curiosity and drives results, empowering all students with rich background knowledge.

6 – 8

English Language Arts at the intermediate level continues to be a blend of independent reading/conferring and whole group reading and writing instruction, completely aligned to the NJSLS and outlined in our grade level curricula. Our weekly Academic Activity period extends the ELA class and provides



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additional time for independent reading and conferring, as well as on-line, differentiated, literature and informational reading instruction using i-Ready, both of which provide opportunities for focused remediation for students in need. We continue to focus our efforts on Basic Skills students by incorporating Tier 2 and 3 interventions, in which teachers assign students to small groups to facilitate a centers-based model. Students' lexiles, or reading levels, are assessed three times per year using i-Ready's diagnostic feature, and classroom libraries, purchased with district funds, provide leveled reading materials. We will continue to build classroom libraries and train teachers in conferring, as well as multi-tiered intervention strategies.

9 – 12

English Language Arts at the secondary level continues to integrate independent reading, literature circles, and core literary texts (with some conferencing) as our students grow as readers and writers; classroom libraries in grades 9-12 are expanding to accommodate this research-supported initiative. Our curriculum continues to be revised to support the New Jersey Student Learning Standards (NJSLs) in English Language Arts. We offer a year long, basic skills reading class at grade 9 that uses the IRLA (Independent Reading Level Assessment) to support increased student achievement in reading. Student reading levels are also assessed through the IRLA in grades 10 and 11 in our general studies English classes. As we continue to implement independent reading, we also are moving toward giving students more time to write in class on a consistent basis in order for students to develop the stamina needed for voice in both personal and academic writing. There is a focus on helping teachers to use a gradual release model, ensuring that there is a mini-lesson, coupled with regular guided and independent practice as well as consistent time for independent reading and writing in class. Teachers are encouraged to work with smaller groups of students as necessary to create more student centered classrooms and to ensure effective Tier 1 instruction. Both AP Literature and AP Language students have the opportunity to become Dual Enrolled in our partnership with Ocean County College.

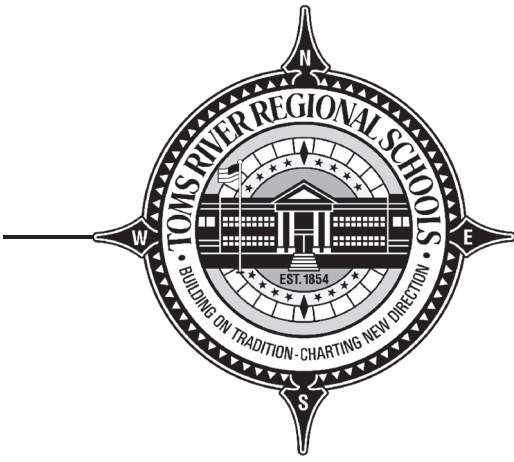
Mathematics:

K – 5

Teachers continued to implement the mathematics program entitled Ready Classroom (formally Ready Math). Bundled within this implementation is the product iReady, which is an adaptive assessment tool that provides personalized learning modules that will encourage growth for learners achieving at all levels.

6 – 8

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that provides personalized learning modules that will encourage growth for learners achieving at all levels. Teachers analyzed data to determine curriculum weaknesses and strengths. Curriculum committees built standards-based unit plans including updated scopes and sequences along with embedded prerequisite skills needed for current content. Mathematics Basic Skills provides full period support during the Academic Activity period. Basic Skills Math instruction is supported with “i-Ready.” This online, personalized learning tool identifies student skill deficiencies and provides targeted instruction using one-to-one conferencing and mini, small group instruction to grow these skills.

9 – 12

Teachers of Algebra 1, Geometry, Algebra 2, and Pre-Calculus are using an adaptive online program, IXL, to provide individualized instruction to students, while addressing pre-requisite skills through assigned lessons and tutorials. IXL’s diagnostic tool provides teachers and students with daily real-time data about mastery of specific standards, and identifies pre-requisite skills that students need in order to master more complex standards.

Each of the high schools have entered into a partnership with OCC and are offering Dual Enrollment courses. Pre-Calculus honors classes and both of our Computer Science courses (honors and college prep) now offer students the opportunity to earn dual credit while in high school.

Curriculum committees built standards-based unit plans reflecting embedded prerequisite skills needed for current content and common unit assessments. Committees and teachers have reflected upon what standards to prioritize for each course through analyzing data trends from local and state assessments. Currently, all high school math programs are piloting new materials for a potential 23-24 adoption.

Science:

K – 5

Science units were developed around the NGSS and the NJSLS-Science and call for a three-dimensional approach to K–5 science instruction. Each unit of instruction includes a standards overview, estimated number of instructional days necessary to complete the unit, and Student Learning Objectives. Our primary resource within the units is a digital program called Mystery Science. Mystery Science takes advantage of the curiosity kids have about the world around them. Each lesson is centered around a mystery, or science question, that teachers first prompt students to ponder and discuss, then explore and solve through an activity.



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6 – 8

This year we are in the third year of full implementation of our new Science series, Elevate Science. This new and exciting program offers all of the most up-to-date resources for both teachers and students. This series features a strong online component that is interactive and multi-lingual, as well as a hard copy individual student work text. This program offers modalities that are suited to all types of learners. The program also features assessment tools that when used alone or partnered with the Google suite of apps can provide immediate feedback to students and data to the teacher from the individual student level, the whole class level, and the district level to gauge student performance and adapt instruction accordingly.

The curriculum documents for grades 6-8 were also revised during the summer of 2022 and are based upon the most recent version of the NJSL-Science. We are excited to be able to return to offering many hands-on learning opportunities once again for the students, which has always been a cornerstone of our program.

As always, during Science classes, students will continue to focus on improvement of ELA skills, most notably reading and interpreting informational text and constructing well-written essays that cite evidence to support their claims and opinions. Students will also continue to utilize relevant mathematics skills during the science lessons that are connected with gathering and evaluating data, interpreting qualitative evidence, and calculating values as needed for word problems, simulations and laboratory experiments and activities.

9 – 12

We will continue to provide an inquiry based curriculum that is aligned with the Next Generation Science Standards (NGSS). We will also continue infusing technology to support instruction wherever possible and maximize opportunities for students to engage in creative and critical thinking. We will also review and revise course offerings in support of the district's STEAM academy. Additional expansion of the STEAM course offerings is planned. The use of technology in the classroom, especially at the AP Physics level, is continuing to grow.

The current biology textbook is no longer supported on line and has a copyright of 2010. If possible, the adoption of a new biology textbook would complement our updating of curricular materials. Currently we have online access for AP biology, chemistry, physics, and environmental science. Our honors and college prep courses have online access in environmental earth, chemistry, physics and forensics. Additionally, the current environmental science class (elective) is working with a 16 year old copyright. A replacement of that text would be beneficial.



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Social Studies:

K – 5

Teachers in Kindergarten-Grade 2 will continue to implement Social Studies units that incorporate social studies practices, disciplinary concepts, core ideas, and related performance expectations in a manner that promotes learning experiences in which students actively explore the past, present, and future of the world through the study of history, economics, civics, and geography. Teachers in Grades 3-5 are using McGraw Hill Impact for Social Studies instruction. With IMPACT, students will gain building blocks for critical thinking, develop a strong reading and writing foundation, and learn what it means to be responsible, active citizens. With engaging content, geared to today's elementary school students, IMPACT takes a fresh approach to social studies curriculum in the elementary classroom.

6 – 8

The 6-8 Social Studies program will work with the ELA (Language Arts) and Science teachers to further develop key reading skills while developing disciplinary knowledge and vocabulary. The program will continuously assess students' reading levels and automatically differentiate instruction when necessary. The 6-8 teachers will also emphasize curriculum delivered in student-centered lessons that engage all students in the content. Research simulation tasks will continue to be implemented to develop skills for NJSLA. Textbook piloting and selection was successfully completed at the end of the 2021-2022 school year. Implementation of the new text, Savvas myWorld Interactive, has taken place in both a physical and digital capacity to best meet the needs of students during the 2022-2023 academic year and beyond.

Grades 6-8 also had revisions made in their respective curriculum to meet the mandate set forth in Laura Wooten's Law regarding the specific teaching of Civics Education at the middle school level. A committee of teachers was created at all three grade levels to ensure that the mandate was met, as well as all standards and requirements were included. Seventh grade now dedicates its 4th Marking Period to Civics Education, while the 1st Marking Period of Eighth grade is now dedicated to Civics Education as well. Certain topics were relocated to Sixth grade in order to make the appropriate accommodations.

9 – 12

The 9-12 Social Studies program continues to implement a student-centered curriculum delivery that engages students in the content. The 9-12 Social Studies program will work with the ELA (Language Arts) and Science teachers to further develop key reading skills while developing disciplinary knowledge and vocabulary. The program will continuously assess students' reading levels and automatically differentiate instruction. Continued review and revision is taking place to ensure the New Jersey Student Learning Standards are being met in our curriculum and its delivery, textbook piloting and selection was successfully completed at the end of the 2021-2022 school year. Implementation of the new



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text, Savvas myWorld Interactive, has taken place in a digital capacity to best meet the needs of students during the 2022-2023 academic year and beyond in graduation required classes (World Civilization, US I, and US II). Additionally, work is being done to begin a new pilot class focusing on History through a “local lens” at High School South for the 2023-2024 school year.

Visual and Performing Arts:

K-5

Curriculum and course offerings are being offered to support the new Arts NJ Student Learning Standards. Increased integration of the arts across the curriculum remains a focus as does the integration of content knowledge in Arts classes.

6-8

At the Intermediate level, electives continue to be reviewed and revised; including visual and performing arts, making them more cross curricular and authentic.

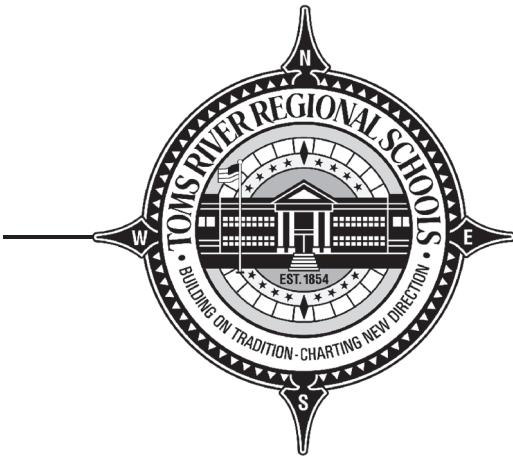
9-12

The high school visual and performing arts curriculum continues to be reviewed and updated to reflect NJSLS. Honors level courses for the third and fourth year electives of band, orchestra, and chorus were added. Our Arts Academy is in its fifth year at Toms River High School North. Continued curriculum writing, professional development and instructional materials acquisition for all strands will take place to prepare for continued expansion. AP Music Theory was added as a course this year, and teachers are preparing students for the AP exam.

Health and Physical Education:

K-5

Through a sequential K-5, standards based health and physical education program, our mission is to promote lifelong learning through physical activity, exercise, & sport while supporting students in making health conscious decisions, meeting challenges, and participating in mentally positive behaviors. TRRS Health and Physical Education is a comprehensive developmental program focused on the education of the whole child. Our program is an integral part of the total education process and has the same goals that give purpose to all learning experiences. The interdisciplinary nature of physical education provides opportunities for all students to achieve the knowledge, skills, and values that will develop and enhance their sense of wellness, as well as, improve their health to maximize the quality of their lives.



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6 – 12

District curriculum and common assessments will be reviewed and adjusted to assure alignment to the NJSLS. The high school Option II program will once again be offered as well as reviewed and refined. The Dance Academy at Toms River High School North is in the fifth year of development. Training and support materials will be provided on an ongoing basis as we continue to implement a wellness and fitness based health and physical education program in grades 6-12.

World Languages and ESL:

K-12

Curriculum committees in the high school World Language Department continue to work on revising and writing new curriculum focusing on developing language proficiency through a communicative approach, while integrating culture and cross-curricular study and aligned to the ACTFL World Language Proficiency Standards. Teachers will use authentic materials and technology to provide students with opportunities to engage in interpersonal, presentational, and interpretive modes of communication. Specific areas of focus for curriculum development will be Spanish 4/5 B, and Heritage 1 and 2. Teachers at all levels continue to purchase independent reading materials in the target language that represent both culturally relevant and high-interest young adult literature.

Additionally, teachers are developing students' connections to the "why" of learning a new language. Through journaling, blogging, and vlogging students seek out opportunities to use language outside of the classroom and share their experiences through a choice of activities.

Teachers in these areas will also be researching authentic materials in the form of supplemental books and/or textbooks to support the development of new curriculum. Common unit assessments, benchmarks, performance assessments and rubrics in all areas will be reviewed and modified to ensure that they are aligned to the curriculum, standards and Can Do statements.

Lastly, graduating seniors who speak more than one language will have the opportunity to take a language proficiency test to earn the New Jersey Department of Education State Seal of Biliteracy. Students at all three high schools will be assessed in January through the AAPPL online assessment or the OPI/WPT test, and will need to score an Intermediate Mid in all areas of the test, including speaking, presentational reading, and interpretive listening and reading.

World Language teachers in grades 6 through 8 have reviewed and revised the grade 6 and 7 curriculums, and have aligned the 6-8th curriculum to the NJDOE World Language Proficiency Standards which are aligned to ACTFL Language Standards. We have purchased Que Tal magazine, which is a monthly



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magazine subscription packed with short articles, infographics, quizzes, interviews and cultural features. The online component offers an unlimited archive of all issues of the magazine, as well as listening comprehension activities, videos, and news articles that can be differentiated by language proficiency level. Teachers are also working with the Special Education department to develop appropriate modifications for students with IEPs/504s who have difficulty with literacy and language.

Elementary World Language teachers are leveraging Rockalingua, which is an online collection of videos, interactive games, and authentic resources designed to make learning Spanish a high interest and engaging process for a variety of learning styles.

The ESL population at all levels has been steadily growing. Many students are entering the district at the beginner level, and/or with limited education in their home language. Workshops and individual coaching sessions will be offered to classroom teachers who work with ELLs to provide strategies for how to support ELLs in the content areas. Sheltered English Instruction training will continue this year in multiple formats, as well as the addition of a Supporting ELLs Committee that will consist of educators creating curriculum scaffolds to assist teachers with their ELLs in content area classes.

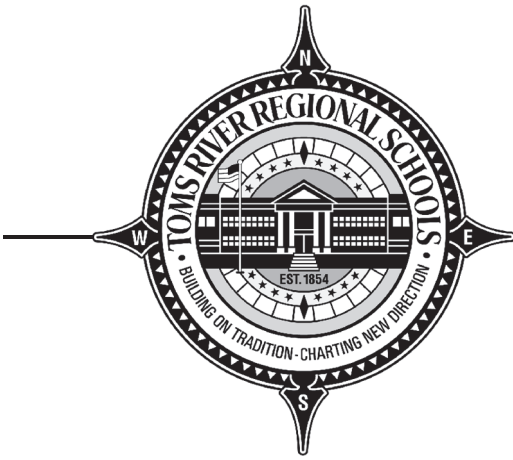
Last year's major initiative with Sheltered English Instruction at the secondary level will continue into the Year 2 phase where, in collaboration with building level administrators, specifically trained SEI cohorts in the Intermediate and High School magnet schools will serve as model classroom teachers specially trained in best practices of Sheltered English Instruction techniques. In addition, all K-12 teachers will continue to have the opportunity to obtain their NJDOE 15 hours of state mandated Sheltered English Instruction training via an interactive online training offered through Stockton State University where teachers will be trained on the use of the FABRIC, a NJDOE live document which support teachers who need to meet the instructional needs of their linguistically diverse learners. Many of the K-5 ESL magnet schools are working towards 100% participation in this initiative.

Graduating ELLs will have the opportunity to take a language proficiency test to earn the New Jersey Department of Education State Seal of Biliteracy. Students at all three high schools will be assessed in January through the AAPPL online assessment or the OPI/WPT test, and will need to score an Intermediate Mid in all areas of the test, including speaking, presentational reading, and interpretive listening and reading.

Technology:

K-12

As more textbook publishers expand their digital offerings, the district continues to invest in technology tools, platforms, and infrastructure improvements to increase student achievement, improve communication and productivity, and develop career and college-ready skills. These include Linkit!, a



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student achievement data platform; expansion of the use of Genesis, a student information system (grades, attendance, demographics) and an HR and staff evaluation platform; subscriptions to student support technology like Achieve3000, iReady, Read180; and increasingly digital resources associated with all content areas to augment paper texts. Tools like PearDeck, EdPuzzle and Screencastify were purchased through state grants in support of hybrid and remote learning. The use of these tools and district-wide training has helped the district develop a catalog of teacher created materials that is collaborative and continues in service of our community. Title I and IV funding continues to provide enhanced training and tools for children across the district.

Engineering design practices, open-ended problem solving, and a maker mindset required for students to master the newer Technology, Career, and Next Generation Science Standards are being further infused in classroom instruction. Technology is being used increasingly to help students reach beyond the four walls of our classrooms and into local and global collaborative efforts.

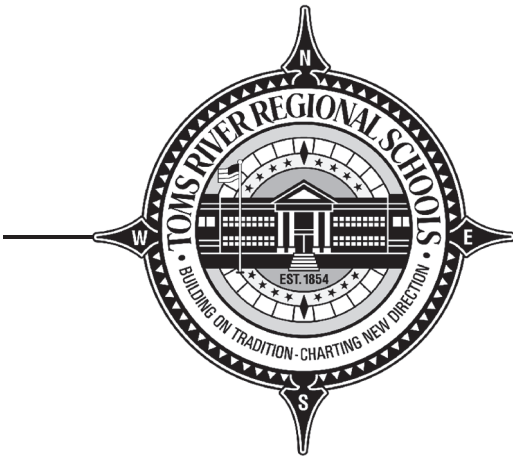
With the arrival of new standards from the NJDOE, implementation of curriculum updates and revisions continue in the 2022-2023 school year. Training and materials are provided on an ongoing basis as new technologies emerge and existing technologies further meet the instructional needs of our students. Computer lifespans have been calculated into the budget. With the 2022 NJDOE mandate to have every high school student take a computer science course, many desktop labs will continue to require software and hardware updates. Students in advanced computing courses are provided with remote access through the use of Ericom that brings the desktop computing power to the Chromebook anywhere.

As we continue to seek alternative sources of funding we have added programs of study in Computer Science, Digital Arts, Architecture, Broadcast Journalism and Engineering funded by Perkins. We continue to expand our advisory boards, dual enrollment opportunities, work based learning experiences and student participation in competitive career and technical student organizations like SkillsUSA and New Jersey Technical Student Association.

21st Century Life Skills

6-12

At the Intermediate level, a new schedule is being proposed that will require changes to electives including cooking, sewing, and CTE, making them more cross curricular and authentic. This work is being led by Supervisor, Tiffany Lucey, with funding provided by a three year grant from the NJDOE Middle Grades Grant with a focus on alignment with the seven key career sectors in New Jersey. Year one focused on the sixth-grade service based curriculum in the amount of \$68,866, year two is focused on 7th grade alignment with academies and career clusters in the amount of \$68,866 and year three will provide a final \$50,000 for enhancement of the 8th grade careers course. Each year there is an articulation between the



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academies and our intermediate schools as well as additional training in career and technical education for guidance counselors and educators.

High School elective 21st Century Life Skills courses are in the areas of business, fashion, and engineering and design. Toms River Schools is planning to increase Option II (alternative pathways to graduation) opportunities next year, including dual enrollment, internships, and online learning. The district is also continuing to expand its three Career Academies: STEAM (Science, Technology, Engineering, Art and Math); Business and Finance; and Arts (Visual, Performing and Digital). Budgetary considerations include facilities, equipment, materials, personnel (recruitment and hiring), professional development, and curriculum writing both to strengthen existing course offerings and to support needed new programs. Perkins funding has been secured in the amount of \$115,467 in support of much of this work.

With the addition of the S.P.E.A.R.-It program at High School South, Mr. Citta secured a grant from the United Way of Monmouth and Ocean counties in support of this pre-vocational carpentry program. This partnership has been expanded to include an additional three years of funding that will expand the program to include a facility at High School North in the fall of 2023. The three years of funding will be \$50,000, \$35,000 and finally \$15,000. This year we are applying for Perkins funding to provide additional sustainability to this program. In the design of the three course program of study students will earn industry recognized credentials and participate in the SkillsUSA career and technical student association competitions.

Targeted teacher training and curriculum revision continues throughout the school year. Academy teacher training focuses on the creation of Authentic Learning Units. These units embed real-world problem-solving, related to the Career Academy strand. It also promotes interdisciplinary content and student-led learning. The district's upgraded technology is an integral part of this initiative to foster student success and their preparation for careers and college.

Special Education Pre-k through 12+:

In preparation for the 2022-23 school year data indicated that the needs of special education students in Toms River Regional Schools would continue to increase. Therefore, program expansion for both self-contained and personalized instructional resource programs have continued from preschool through our 18-21 transition programs. The District is putting a strong focus on implementing greater access to the general education classroom and placing students in the least restrictive environment.

In the Preschool, general education classes utilize Foundations, Creative Curriculum with Teaching Strategies GOLD. GOLD focuses on Social-Emotional Learning, Physical Development, Language Development, Cognitive, Literacy, Mathematics, Science and Technology, Social Studies, the Arts, and English Language Acquisition. All preschool students also participate in social emotional learning



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lessons, utilizing the district-wide curriculum, Harmony, along with the Nurtured Heart Approach. The Nurtured Heart Approach (NHA) is a strategy for parents and educators to assist students with creating healthy relationships with people in their lives.

All general education preschools also utilize Amplify Core Knowledge Language Arts (CKLA). CKLA was adopted in the K–5 programs in addition to preschool. This program has helped supplement in the areas of Reading and Language Arts during whole and small group instruction.

In the self-contained autism classrooms, a new curriculum was adopted for the 2022-2023 school year. Academic Readiness Intervention Curriculum (ARIS) works directly with assessments utilized in the programs while providing hands-on materials, detailed lesson plans, and scope and sequence for all learners.

During the 2022-2023 school year, preschool continues to refine the Preschool Intervention and Referral Services (PIRS). This is critical to ensuring our high risk and struggling students are receiving interventions to support their growth and access to education. The implementation of this program also ensures we are following state expectations prior to any referral to special education.

The K-8 Learning and Language Disabilities (LLD) classes at the elementary and intermediate level are implementing the general education curriculum, as a supplemental reading program. The students are particularly enjoying “modern reading” through e-reads and sentence starters for reading responses. In addition, our teachers use Sonday Systems to remediate students and provide support during the reading block. Sonday Systems is an Orton Gillingham approach to sound and word decoding. This supplemental program offers an additional foundation for our students who struggle with reading.

LLD teachers have been working beside general education teachers to implement Ready Mathematics. They have been following a pacing guide to ensure grade level skills are covered. iReady, which is an adaptive assessment tool that provides data for Individual Education Plans and placement decisions.

The K-12 Multiple Disability (MD) classrooms use the Unique curriculum that spans all grade levels (K-12) and provides data collection and remediation in all subject areas. The program follows the student through the grade levels and supports instruction in all areas of the Essential Elements for students who participate in the alternate assessment-DLM. The Multiple Disabilities program is tailored for students with moderate to severe intellectual disabilities and lower adaptive functioning skills with social-emotional needs who do not meet the criteria of the Intellectually Disabled program and/or other programs that would otherwise address one of their disabling conditions. Based on individual need, the curriculum may include life skills instruction, multisensory reading instruction (if appropriate), Reading Milestones, Spire, Ready Classroom (Math), Number Worlds, or other supplemental programs, and modified social studies and science curriculum. Social skills are embedded in the program and taught in a formal 30 min



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session at the K-8 grade levels to reinforce a variety of coping skills and replacement behavior strategies. At the secondary level, students participate in community-based instruction and social emotional learning with an emphasis on relationship development and decision making. This year, they have participated in trips to practice these skills within the community. Where appropriate, K-5 students could be included in a general education classroom meeting with mainstream specials. Other mainstream opportunities are available based on individual need. Freckle, an additional online learning platform has been purchased for the elementary MD program.

The K-8 Emotional Regulation Impairment program (formerly Behavior Disabilities) utilizes the general education curriculum in combination with several of the supplemental programs listed above.

Moby Max has been utilized across all academic areas and most programs. Teachers have been working on inputting their student IEP goals into the program for data tracking.

K-8 Students with Intellectual Disabilities follow the Unique Learning System, PCI Reading Program, along with varied supplementary reading programs, such as Reading Milestones and Reading A-Z. The math supplemental program consists of Number Worlds and Touch Math. Moby Max is also being utilized within the program for individual goal setting.

Our Deaf and Hard of Hearing students continue to benefit from the addition of the Fairview Reading Program, which is designed to facilitate reading strategies for the unique learning needs for this population of students.

Special education students are also utilizing the social-emotional learning program Sanford Harmony, a general education pre-k to 5th grade initiative in special education classes, or inclusively participating with general education peers during class meeting times. Skill streaming (SEL program) is utilized in our HS Emotional Regulation Impairment program-Project Hope (ERI).

In our Autism programs, teachers utilize the continuum approach for all students in self-contained autism classrooms. Preschool will utilize both the Verbal Behavior Milestones Assessment and Placement Program (VB-MAPP) and Assessment of Basic Language and Learning Styles (ABLSS) to score and track developmental milestones. Additional programs utilized within the preschool autism classrooms include Boardmaker and Pics for PECS to develop communication systems for the non-verbal learners. Within the elementary self-contained autism classrooms, the students are assessed using the ABLSS assessment to determine instructional goals. Additional supplemental programs utilized with general education include Edmark Reading, Milestones, iReady, Moby Max, Touch Math, Silas, and Unique. Additional academic programs for the autism programs include Edmark, Reading Milestones, Moby Max, Menu Math, Silas and ALLS reading program. Within the intermediate and high school self-contained classrooms, the teachers assess the students in Assessment of Functional Living Skills (AFLS) for home,



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school and community. For the 2020-21 school year a second ABA program was opened at HS East providing discrete trial instruction and structured ABA environment with BCBA oversight.

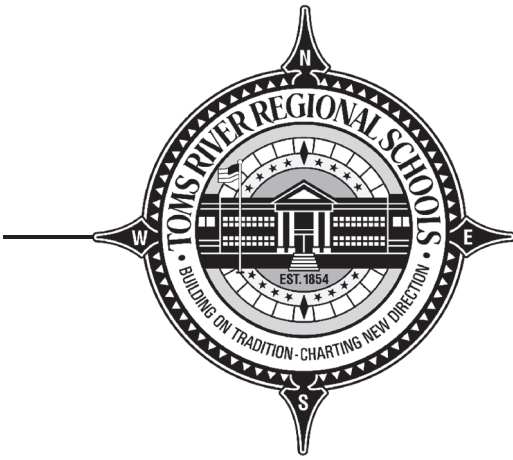
At Intermediate South, where many of our self-contained classes are housed, we are in the process of creating a life skills room to provide our students the opportunity to practice daily living skills.

At the High School level Universal Read 180 is used with our special education students who require a supplemental reading program, along with Actively Learn being used in our HS Intellectual Disability ELA program. For the first time Learning Ally is available at HS North for all struggling readers that may include 504, special education and English language learners. Delta Math and IXL were also made available as supplemental programs on a personalized level for students struggling with math concepts. A new Science 3 course opened providing students with a pull out resource Forensic Science course that parallels the general education course, this is the first time special education students have a choice in opting for either Environmental Science or Forensic Science at the high school level to meet their graduation requirements.

We have added In Class Resource programs for 9th grade Science and Social Studies across all three high schools, where this was previously only offered at High School East. These class additions have allowed us to provide students with access to special education instruction in their home school while also increasing their opportunities to be provided instruction in the least restrictive environment.

Last year our High School North Intellectually Disabled (ID) program partnered with the ARC of New Jersey to provide additional “real-world” instruction for our students with developmental disabilities. We were able to continue this program into the 22-23 school year to provide our students with additional instruction in the areas of social skills, employment, health/behavioral needs, future planning, and financial planning. We have also increased the Community Based Instruction (CBI) opportunities for these students as we begin to prepare them for life after graduation.

Our two 18-21 Programs, located in High School East, have benefited from additional work sites to enhance their employment skills. We are now partnering with two restaurants, Klees and Applebees, as locations for our students to generalize some of the employment skills practiced in the classroom. Preparing the restaurants for service has provided our students with valuable real world work experience. When in the school building, the 18-21 program utilizes the Next Up work readiness program, and EdMark programs for grocery words, signs around me and job/work words. They also have access to the Unique Learning System. Much of the daily in-school instruction focuses on daily living skills, including maintaining an “apartment”, laundry, cooking, daily hygiene, and practicing the work skills. Our community-based instruction (CBI) allows us to take our students off-site to explore adult activities such as shopping and navigating the community. We have continued our partnership with the Ocean County YMCA where our students rotate through stations including water safety, yoga and exercise. The program



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also allows our District staff the opportunity to teach important hygiene skills that often cannot be taught within the school building but are critical to student health and well-being. We are very excited to announce that Keller-Williams, Inc, was able to fundraise over \$26,000 which was donated directly to our 18-21 program for the enhancement of our CBI program.

Our School2Work (S2W) program continues to work with various local businesses to provide our more independent workers with structured learning experiences with access to job coaching and support. As we come out of the COVID years, we look forward to partnering with even more local businesses to widen our program base.

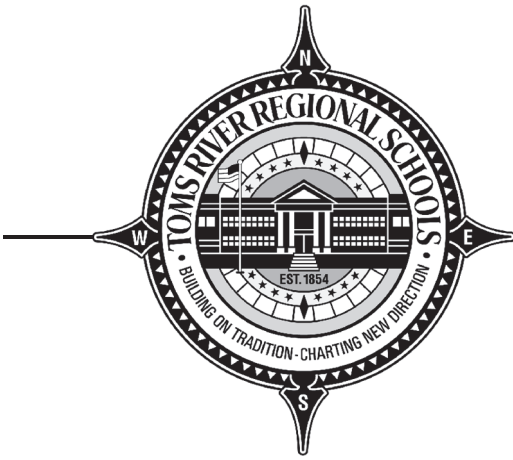
High School East and our Special Services Department have newly collaborated with MOCEANS. This is an agency that works alongside DVR Pre-Employment Transition services to provide students with transition supports. This resource provides select high school students with opportunities to meet with MOCEANS staff directly during their school day ensuring their access to beneficial transition services. We have added Board Certified Behavior Analysts (BCBAs) district-wide. This has allowed us to work more directly with classroom teachers, in both special education and general education, to provide positive behavior management strategies which increases classroom engagement and performance, as well as reducing referrals to the child study team due to maladaptive behaviors.

Finally, we have partnered with the New Jersey Coalition for Inclusive Education (NJCIE). This collaboration is taking place at East Dover Elementary School (year 3) and Intermediate East year 2). The focus is on providing all of our students greater access to the general education curriculum and peers, which is required as per N.J.A.C. 6A:14. The collaboration with NJCIE is designed to give our teachers the skills and strategies necessary to support our special education students, and other struggling learners, in the general education classroom. The teams are excited and hopeful about the opportunities that this will provide for our special education students.

4. INTERNAL ACCOUNTING CONTROLS

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

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations



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related to those programs. The District is also charged with the responsibility of periodic evaluation of this internal control structure.

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 District. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets that are approved for capital improvements are accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. The legal level of budgetary control is at the object code level of each budget line-item.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported assigned 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 government-wide financial statements. These funds and the government-wide financial statements are explained in "Notes to the Financial Statement," Note 1.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility to ensure sound financial management.



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8. OTHER INFORMATION

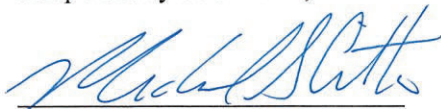
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. In addition to meeting the requirements of the Single Audit Act Amendments of 1996 and the related Federal Uniform Guidance and State Treasury Circular Letter 15-08 OMB, the auditor's report includes financial statements and combines individual fund statements and schedules to ensure clear financial reporting. The auditors' reports related specifically to the single audit are included in the single audit section of this report.


Certificate of Excellence in Financial Reporting Award - the district received the Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials International for the June 30, 2021 Comprehensive Annual Financial Report (the eighth year in row the district has achieved this award).

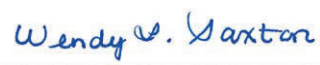
9. ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Toms River School Board for their support with regards to the financial operations of the district. This annual report demonstrates to the citizens and taxpayers of the regional community, the ongoing efforts to ensure fiscal accountability. Finally, the preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

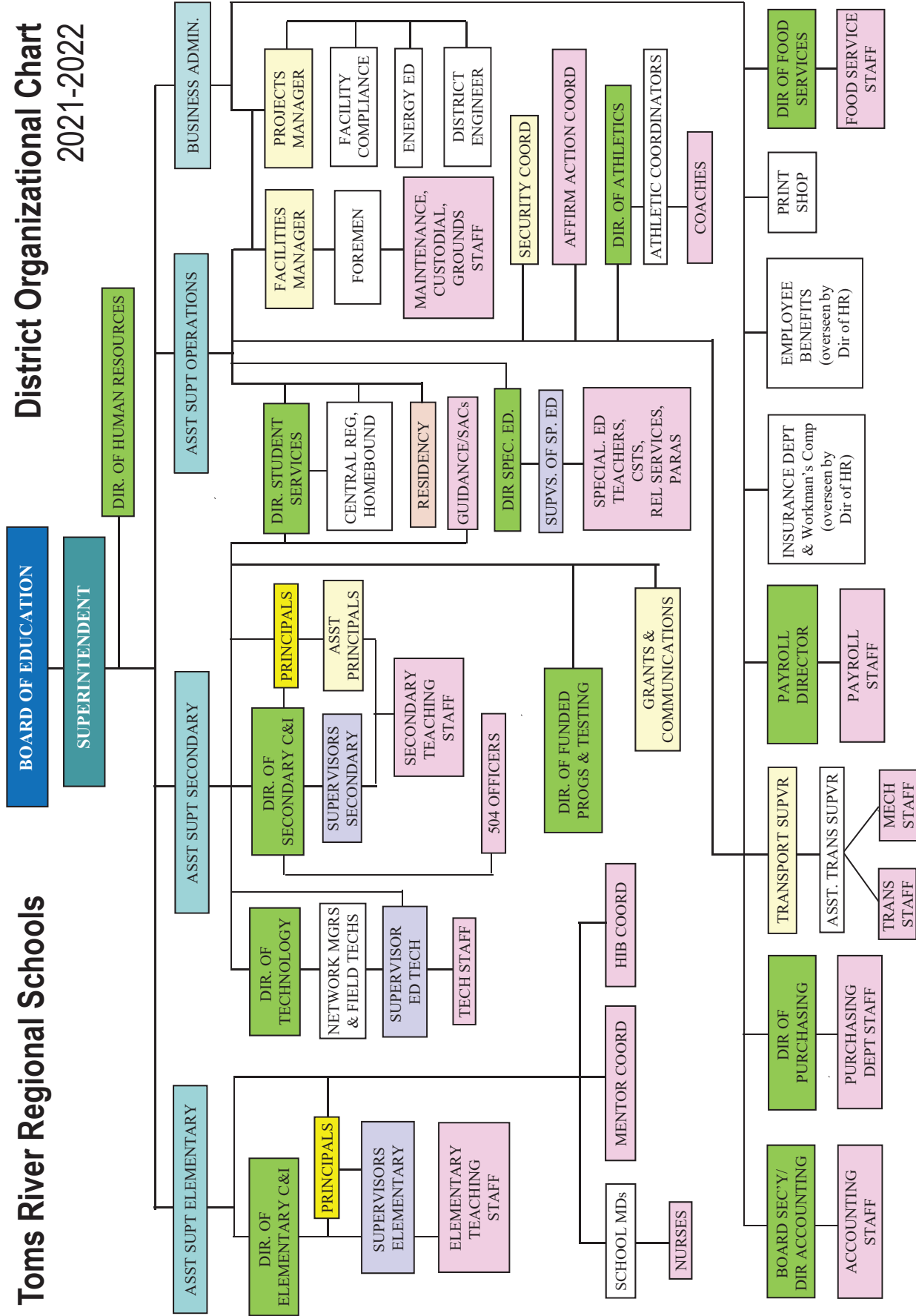

Michael S. Citta, Superintendent


William J. Doering, CPA, Business Administrator


Wendy L. Saxton, Board Secretary

Toms River Regional Schools

District Organizational Chart 2021-2022



revised April 27, 2021

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**TOMS RIVER REGIONAL SCHOOLS
TOMS RIVER, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2022**

Members of the Board of Education

TERM EXPIRES

Joe Nardini	2024
Anna Polozzo	2024
Kathleen Eagan	2022
Ashley Lamb	2023
Jennifer Howe	2024
Kevin Kidney	2022
Alex Mizenko	2022
Lisa Contessa	2023
Michele Williams	2023

Other Officials

Michael S. Citta, Superintendent of Schools
William J. Doering, School Business Administrator
Wendy L. Saxton, Board Secretary
Matthew K. Varley, Treasurer of School Monies
William R. Burns Esq., Board Attorney

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**TOMS RIVER REGIONAL SCHOOLS
TOMS RIVER, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2022**

AUDITOR/AUDIT FIRM

Jerry W. Conaty, CPA, PSA, CFE, RMA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave, Suite 3
Lakewood, NJ 08701

ATTORNEY

William R. Burns
Kalavruzos, Mumola, Hartman, Lento & Duff
29 Hadley Avenue
Toms River, New Jersey 08753

OFFICIAL DEPOSITORY

Investors Bank
130 N. County Line Road
Jackson, New Jersey 08753

TD Bank
1101 Hooper Avenue, CN 2050
Toms River, New Jersey 08753

Lakeland Bank
1012 Hooper Avenue
Toms River, New Jersey 08753

Ocean First Bank
975 Hooper Avenue
Toms River, New Jersey 08753

State Street Bank and Trust
State of New Jersey Cash Management Fund, PO Box 5994
Boston, Massachusetts 02206-5994

NJ ARM/PFM Asset Management
1735 Market Street, 43rd Floor
Philadelphia, PA 19103-7502

US BANK/PFM Asset Management
1735 Market Street, 43rd Floor
Philadelphia, PA 19103-7502

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Toms River Regional School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

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FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Toms River Regional Schools
County of Ocean
Toms River, NJ 08753

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Toms River Regional Schools, County of Ocean, State of 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 School 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 School District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with 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 the Financial Statements section of our report. We are required to be independent of the 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.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2022 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 School District 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 Responsibility

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and 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 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed 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 School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* , we have also issued our report dated March 6, 2023 on our consideration of the 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 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 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 School District’s internal control over financial reporting and compliance.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
March 6, 2023

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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Toms River Regional School District
Toms River, New Jersey

Management's Discussion and Analysis
Year ended June 30, 2022

The discussion and analysis of the Toms River Regional School District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements, notes and additional information in the transmittal letter to enhance their understanding of the District's financial performance.

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

Financial Highlights

Key financial highlights for fiscal year 2022 are as follows:

- Total net position of the governmental activities and business-type activities is \$80,916,635 at June 30, 2022. It is comprised of both current and capital assets and deferred outflows of resources less deferred inflow of resources and current and outstanding long-term liabilities (Schedule A-1).
- The District transferred unassigned fund balance in June of 2022 into the restricted reserves for capital and maintenance in the amounts of \$6,000,000 and \$3,000,000, respectively.
- The District followed GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the 2022 fiscal year resulting in the recording of revenue and expense in the amount of \$29,933,976 related to post-employment health benefits paid by the state on behalf of the District.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the Toms River Regional School District as a financial whole, an entire operating entity. The statements then proceed to offer an increasingly detailed look at specific financial activities. This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The three components of the District's basic financial statements are: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The ACFR also contains required and other supplementary information in addition to the basic financial statements.

Reporting the School District as a Whole

Government-wide Statements

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the entire School district and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs to cite just a few. In the *Statement of Net Position* and the *Statement of Activities*, the District is divided into two distinct types of activities:

- Governmental activities - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type activities - Programs reported here are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods and services be financed through user charges.

The government-wide financial statements can be found on pages 49 and 50 of this report.

Reporting the District's Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed, short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) that arise between governmental activities (as reported in the Statement of Net Position and the Statement of Activities) and governmental funds are reconciled in the financial statements.

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

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

The basic government fund financial statements can be found on pages 55 through 57 of this report.

Proprietary Funds

The District maintains a proprietary fund type in the form of five enterprise funds. The enterprise funds are used to report business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service program, corporate center, day care center, and two athletic complexes which are also considered to be major funds of the District.

The basic enterprise funds financial statements can be found on pages 61 through 63 of this report.

Notes to the Basic Financial Statements

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

The notes to the basic financial statements can be found on pages 69 to 109 of this report.

The School District as a Whole

The Statement of Net Position provides the perspective of the 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 varied financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of the District's net position at June 30, 2022 and 2021:

Toms River Regional School District						
Net Position						
June 30,						
	2022			2021		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Assets:						
Current and other assets	\$ 127,175,349	\$ 7,516,762	\$ 134,692,111	\$ 175,212,817	\$ 2,622,914	\$ 177,835,731
Capital assets, net	238,735,499	11,840,610	250,576,109	183,632,784	11,903,130	195,535,914
Total assets	365,910,848	19,357,372	385,268,220	358,845,601	14,526,044	373,371,645
Deferred outflows of resources:						
Deferred loss of refunding of debt	5,411,138	-	5,411,138	1,450,332	-	1,450,332
Pension deferrals	1,095,143	-	1,095,143	9,464,312	-	9,464,312
Total deferred outflows of resources	6,506,281	-	6,506,281	10,914,644	-	10,914,644
Liabilities:						
Current liabilities	31,879,607	247,985	32,127,592	43,700,837	389,206	44,090,043
Long-term liabilities	245,216,670	130,822	245,347,492	261,221,266	132,447	261,353,713
Total liabilities	277,096,277	378,807	277,475,084	304,922,103	521,653	305,443,756
Deferred inflow of resources:						
Pension deferrals	31,423,074	-	31,423,074	28,708,219	-	28,708,219
Lease Arrangements	-	1,959,708	1,959,708	-	-	-
Net position:						
Net investment in capital assets	108,987,192	11,840,610	120,827,802	105,071,092	11,903,130	116,974,222
Restricted for:						
Excess surplus	1,272,131	-	1,272,131	6,223,901	-	6,223,901
Debt Service	920,750	-	920,750	1,776,030	-	1,776,030
Capital Projects	61,674,797	-	61,674,797	121,693,217	-	121,693,217
Maintenance reserve	14,847,300	-	14,847,300	12,840,964	-	12,840,964
Emergency reserve	717,261	-	717,261	716,546	-	716,546
Scholarship	47,664	-	47,664	37,880	-	37,880
Student Activity	945,031	-	945,031	877,086	-	877,086
Unemployment Reserve	5,795,084	-	5,795,084	5,789,110	-	5,789,110
Unrestricted (deficit)	(131,309,432)	5,178,247	(126,131,185)	(218,895,903)	2,101,261	(216,794,642)
Total net position	\$ 63,897,778	\$ 17,018,857	\$ 80,916,635	\$ 36,129,923	\$ 14,004,391	\$ 50,134,314

Unrestricted deficit decreased \$87,586,471 relating to governmental activities as compared to the prior year, as a result of the current year operations and increase in net investment in capital assets.

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

Restricted net position decreased \$63,734,716 mainly due to the purchases of capital assets through the Capital Projects Fund.

Capital assets, net increased as current year capital asset additions exceeded current year depreciation expense and disposals.

Long-term liabilities decreased mainly due to the decrease in bonds and notes payable, as a result of current year principal payments. The District did not issue new bonds in 2021-2022.

The net pension liability recorded as of June 30, 2022 is the result of the District following GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASE Statement No. 68*. The net decrease in the net pension liability and related deferrals is the result of changes in the allocation as determined by the State of New Jersey Division of Pension and Benefits as well as the result of actual investment performance during the year and a change in assumptions as compared to the prior year.

As described in Note 22 to the financial statements, "Prior Period Adjustment/Restatement of Net Position", the District has adopted the provisions of GASB Statement No. 87, *Leases*, for the year ended June 30, 2022. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2021 in the amount of \$788,426.

Government-wide activities

The key elements of the District's changes in net position for the years ended June 30, 2022 and 2021 are as follows:

Toms River Regional School District						
Changes in Net Position						
Year ended June 30,						
	2022			2021		
	Governmental Activities	Business- Type Activities	Total	Governmental Activities	Business- Type Activities	Total
Revenues:						
Program Revenues:						
Charges for services	\$ -	\$ 2,323,580	\$ 2,323,580	\$ -	\$ 1,246,132	\$ 1,246,132
Operating grants and contributions	96,600,455	7,184,240	103,784,695	86,372,653	3,889,989	90,262,642
General Revenues:						
Property Taxes	175,724,465	-	175,724,465	173,369,274	-	173,369,274
Federal and state aid not restricted to specific purposes	35,413,397	-	35,413,397	69,621,351	-	69,621,351
Earning on Investments	160,223	83	160,306	707,161	327	707,488
Miscellaneous	4,296,153	36,189	4,332,342	2,669,988	-	2,669,988
Total Revenues	312,194,693	9,544,092	321,738,785	332,740,427	5,136,448	337,876,875
Expenses:						
Instruction and Support services	277,973,377	6,829,411	284,802,788	307,272,162	5,075,249	312,347,411
Special schools	247,445	-	247,445	167,300	-	167,300
Interest on long-term debt	5,198,960	-	5,198,960	7,147,628	-	7,147,628
Total expenses	283,419,782	6,829,411	290,249,193	314,587,090	5,075,249	319,662,339
Change in net position before transfers and extraordinary item	28,774,911	2,714,681	31,489,592	18,153,337	61,199	18,214,536
Transfers	-	-	-	112,280	(112,280)	-
Extraordinary item	(218,630)	299,785	81,155	(1,003,912)	1,003,912	-
Change in Net Position	28,556,281	3,014,466	31,570,747	17,261,705	952,831	18,214,536
Net Position- beginning *	35,341,497	14,004,391	49,345,888	18,868,218	13,051,560	31,919,778
Net Position-ending	\$ 63,897,778	\$ 17,018,857	\$ 80,916,635	\$ 36,129,923	\$ 14,004,391	\$ 50,134,314

*Beginning Balance was restated for fiscal year 2022. See Note 22 for additional information.

Property tax levy increased due to the increase in the taxable ratables and the tax rate.

Federal and State aid not restricted to specific purposes decreased as a result of the impact of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the District to record revenues which were contributions on-behalf of the District by the State for post-employment benefits. The majority of remainder of the difference was a result of the decrease in the on-behalf TPAF pension, disability, and medical contributions required under GASB Statement Nos. 68 and 71.

Instruction and support services expenses decreased as a result of reported for contributions made on-behalf of the District by the State for post-employment benefits due to the impact of GASB 75. The majority of remainder of the difference was a result of the decrease in the on-behalf TPAF pension, disability, and medical contributions required under GASB Statement Nos. 68 and 71.

Interest on long-term debt has decreased from the prior year as a result of decreased overall debt, therefore, the related interest has decreased.

The extraordinary item is donation of capital assets from other funds and an adjustment to capital assets.

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for District operations. Property taxes made up approximately 56 percent of revenues for governmental activities in the Toms River Regional School District for fiscal year 2022. Federal, state, and local grants and aid accounted for another 43 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised approximately 1 percent of the total governmental revenues.

The total cost of all programs and services was \$283,419,782. Instruction comprised 64 percent of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. It is important to note that additional instructional costs are included with support services, which is in conformity with New Jersey Budget Guidelines.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services, day care tuition, ticket sales, rental income, and federal and state reimbursements. Charges for services comprised approximately 25 percent of total revenue. This includes revenue recognized in the amount of \$349,283, or 15 percent of operating revenue, for amounts paid by patrons for daily food service. Day care tuition revenue was \$311,236, or 13 percent of operating revenue, and represents payments for daycare tuition. Rental income for the Corporate Center's rental agreements was \$815,253, or 35 percent of operating revenue, that was recognized from renting office suites at the property located at 1144 Hooper Avenue, Toms River, NJ. The RWJ Barnabas Health Arena and Bennett Complex recognized \$633,948 and \$213,860, respectively, or 27 and 9 percent of total operating revenue for various events and activities at the respective

complexes. Additionally, federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast and donated commodities amounted to \$7,184,240 in non-operating revenue.

Financial Analysis of the District's Funds

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements.

General Fund The general fund is the main operating fund of the District. At the end of the current fiscal year, the total fund balance was \$54,920,337, including funds restricted for capital, maintenance, unemployment and emergency reserves in the amount of \$36,225,534. \$1,272,131 of prior year excess surplus has been designated for subsequent year's expenditures. \$7,778,549 is additional assigned fund balance designated for subsequent year's expenditures. \$2,537,851 is designated for encumbrances. \$7,106,272 is unassigned.

Special Revenue Fund The special revenue fund is used to track the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes, other than debt service or capital projects. Revenue for the current fiscal year increased by \$3,834,646 attributable mostly to an increase in new federal grants of ESSER II and ESSER III grant funds.

Capital Projects Fund The District uses the capital projects fund to account for financial resources to be used for the acquisition or construction of major capital projects (other than those financed by proprietary funds and trust funds).

Debt Service Fund. The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The fund balance in the debt service fund is \$419.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The schedule below presents a summary of the revenues of the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Change from 2021	Percent of Increase
Local sources	\$ 180,402,286	57.1%	\$ 3,392,013	1.9%
State sources	119,894,278	38.0%	11,198,967	9.3%
Federal sources	15,589,086	4.9%	3,056,362	19.6%
Total	<u>\$ 315,885,650</u>	<u>100%</u>	<u>\$ 17,647,342</u>	<u>31%</u>

Local sources increased primarily relating to the increase in the tax levy.

State sources increased due mainly to the increase in State Aid Public money during the current year.

The following schedule represents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2021	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$ 104,646,238	27.88%	\$ 3,519,112	3.36%
Support services	185,990,890	49.55%	15,643,423	8.41%
Special schools	22,010	0.01%	(1,960)	-8.91%
Capital outlay	69,418,907	18.49%	42,452,958	61.15%
Debt Service:				
Principal	10,182,834	2.71%	372,295	3.66%
Interest	5,119,336	1.36%	(2,228,895)	-43.54%
Total	\$ 375,380,215	100%	\$ 59,756,933	24%

Current expenditures reflect an overall increase attributable to normal operational increases in the areas of salaries, health benefits, textbooks and supplies, as the District engaged in various curriculum changes and improvements during the year. Capital outlay expenditures increased from the prior year due to the timing of projects throughout the District, as well as the buses acquired in the prior year. Interest expenditures decreased due to continued decrease on principal balances.

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey statutes. The most significant budgeted fund is the General Fund. During the fiscal year, there were several differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts. None of these transfers were significant.

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

Revenues

- Actual extraordinary aid was in excess of the modified budget by \$3,719,629 or 186% as a result of the fact that the final award amount is calculated by the State of New Jersey and is not required to be budgeted for.

Capital Assets

At the end of the fiscal year 2022, the District had \$250,576,109 invested in land, land improvements, building and building improvements and machinery and equipment, net of accumulated depreciation. The following presents a comparison of capital assets, net of depreciation, held at June 30, 2022 and 2021:

	Capital Assets(Net of Depreciation)			
	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
Land	\$ 5,368,923	\$ 5,368,923	\$ 1,421,600	\$ 1,421,600
Construction in progress	34,746,472	4,134,515	-	-
Land improvements	12,821,149	10,846,647	1,606,300	1,705,829
Building and building improvements	182,794,123	154,980,781	8,203,272	8,192,632
Machinery and equipment	3,004,832	8,301,918	609,438	583,069
Total	\$ 238,735,499	\$ 183,632,784	\$ 11,840,610	\$ 11,903,130

For more detailed information, please refer to Note 5 to the basic financial statements.

Debt Administration and Long-Term Liabilities

At June 30, 2022, the District had \$245,347,492 of outstanding debt and other long-term liabilities, of which \$14,162,639 was classified as the current portion.

At June 30, 2022 and 2021, the District's long-term liabilities consisted of:

	2022	2021
Bonds payable	\$ 176,675,000	\$ 187,060,000
Other post-employment benefits payable	2,023,783	2,821,153
Unamortized premium on bonds	1,868,088	2,072,169
Notes payable	182,834	365,668
Pension obligations	402,245	511,979
Lease Obligations	5,616,230	5,467,710
Compensated absences payable	16,964,718	16,251,081
Net pension liability	41,614,594	60,675,928
Total long-term liabilities	\$ 245,347,492	\$ 275,225,688

For more detailed information, please refer to Note 7 to the basic financial statements.

The net pension liability has decreased based on the actuarial valuation of the District's portion of the state pension liability.

For the Future

The fiscal outlook in the near term is a concern for most school districts. The District is subject to the tax cap limitation of 2 percent. This limit to raise additional revenue is combined with the District issue to recognize tax revenue from the lost ratables that occurred as a direct result of Super Storm Sandy. To continue essential government functions, the District created cost saving measures such as implementing several energy conservation plans and has developed certain budget constraints, including addressing non-essential costs. The Toms River Regional School District will continue to employ prudent and responsible fiscal practices to maintain its sound financial condition.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the resources entrusted to it. If you have questions about this report or need additional information, contact Mr. William Doering, Business Administrator at Toms River Regional School District, 1144 Hooper Avenue, Toms River, NJ 08753. Please visit our website at <http://www.trschools.com>.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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TOMS RIVER REGIONAL SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 70,104,533	\$ 4,634,175	\$ 74,738,708
Cash Held With Fiscal Agent	2,779,204	-	2,779,204
Receivables, Net (Note 4)	12,479,449	610,206	13,089,655
Lease Receivable (Note 17)	-	647,600	647,600
Inventory	-	118,683	118,683
Restricted Cash & Cash Equivalents	36,225,534	-	36,225,534
Other Current Assets	-	183,274	183,274
Capital Assets, Net (Note 5)			
Non-Depreciable	40,115,395	1,421,600	41,536,995
Depreciable	198,620,104	10,419,010	209,039,114
Lease Receivable, Non-Current (Note 17)	-	1,322,824	1,322,824
Right to Use Leased Assets, Net of Amortization (Note 16)	5,586,629	-	5,586,629
Total Assets	365,910,848	19,357,372	385,268,220
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	5,411,138	-	5,411,138
Related to Loss on Debt Refunding	1,095,143	-	1,095,143
Total Deferred Outflow of Resources	6,506,281	-	6,506,281
LIABILITIES:			
Accounts Payable	1,271,336	20,869	1,292,205
Payroll Deductions and Withholdings	8,408,538	-	8,408,538
Due to Other Governments	4,512,343	-	4,512,343
Unearned Revenue	940,796	105,038	1,045,834
Unemployment Agency	531,024	-	531,024
Accrued Interest	514,558	-	514,558
Accrued Salaries and Wages	3,821,800	-	3,821,800
Accrued Liabilities for Insurance Claims	11,812,933	-	11,812,933
Other Liabilities	66,279	122,078	188,357
Noncurrent Liabilities (Note 7):			
Due Within One Year	14,162,639	-	14,162,639
Due in More Than One Year	231,054,031	130,822	231,184,853
Total Liabilities	277,096,277	378,807	277,475,084
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	31,423,074	-	31,423,074
Leasing Arrangements (Note 17)	-	1,959,708	1,959,708
Total Deferred Inflow of Resources	31,423,074	1,959,708	33,382,782
NET POSITION:			
Net Investment in Capital Assets	108,987,192	11,840,610	120,827,802
Restricted for:			
Capital Projects	61,674,797	-	61,674,797
Debt Service	920,750	-	920,750
Emergency Reserve	717,261	-	717,261
Maintenance Reserve	14,847,300	-	14,847,300
Scholarship	47,664	-	47,664
Student Activity	945,031	-	945,031
Unemployment Reserve	5,795,084	-	5,795,084
Excess Surplus	1,272,131	-	1,272,131
Unrestricted (Deficit) (Note 20)	(131,309,432)	5,178,247	(126,131,185)
Total Net Position	\$ 63,897,778	\$ 17,018,857	\$ 80,916,635

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

TOMS RIVER REGIONAL SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 133,338,057	\$ -	\$ 61,035,131	\$ (72,302,925)	\$ -	\$ (72,302,925)
Special Education Instruction	38,510,350	-	14,412,694	(24,097,656)	-	(24,097,656)
Other Instruction	8,757,399	-	3,277,501	(5,479,898)	-	(5,479,898)
Support Services:						
Tuition	5,087,202	-	-	(5,087,202)	-	(5,087,202)
Student & Instruction Related Services	34,228,016	-	9,575,731	(24,652,286)	-	(24,652,286)
General Administrative	3,097,900	-	407,538	(2,690,361)	-	(2,690,361)
School Administrative Services	10,313,824	-	1,356,816	(8,957,008)	-	(8,957,008)
Central Services	1,833,172	-	423,528	(1,409,644)	-	(1,409,644)
Administrative Info. Technology	2,111,500	-	277,774	(1,833,726)	-	(1,833,726)
Plant Operations & Maintenance	20,664,620	-	3,194,953	(17,469,667)	-	(17,469,667)
Pupil Transportation	20,031,338	-	2,635,185	(17,396,152)	-	(17,396,152)
Special Schools	27,390	-	3,603	(23,787)	-	(23,787)
Transfer to Charter Schools	220,055	-	-	(220,055)	-	(220,055)
Interest & Other Charges	5,198,960	-	-	(5,198,960)	-	(5,198,960)
Total Governmental Activities	283,419,782	-	96,600,455	(186,819,327)	-	(186,819,327)
Business-Type Activities:						
Food Service	4,788,268	349,283	7,184,240	-	2,745,255	2,745,255
Day Care	212,925	311,236	-	-	98,311	98,311
Corporate Center	917,736	815,253	-	-	(102,483)	(102,483)
RJW Barnabas Health Arena	556,289	633,948	-	-	77,659	77,659
Bennett Complex	354,193	213,860	-	-	(140,333)	(140,333)
Total Business-Type Activities	6,829,411	2,323,580	7,184,240	-	2,678,409	2,678,409
Total Primary Government	\$ 290,249,193	\$ 2,523,580	\$ 103,784,695	(186,819,327)	2,678,409	(184,140,918)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				164,845,442	-	164,845,442
Property Taxes, Levied for Debt Service				10,879,023	-	10,879,023
Federal & State Aid Restricted				4,035,500	-	4,035,500
Federal & State Aid Not Restricted				31,377,897	-	31,377,897
Tuition Charges				1,242,007	-	1,242,007
Interest on Investments				160,223	83	160,306
Transportation Charges				86,942	-	86,942
Miscellaneous				2,967,205	36,189	3,003,394
Total General Revenues				215,594,238	36,272	215,630,510
Change in net position before extraordinary item and transfers				28,774,911	2,714,681	31,489,592
Extraordinary items:						
Donation of Capital Assets from Other Funds (Note 5)				(304,148)	304,148	-
Adjustment to Capital Assets (Note 5)				85,518	(4,363)	81,155
Total Extraordinary Items				(218,630)	299,785	81,155
Change in Net Position				28,556,281	3,014,466	31,570,747
Net Position - Beginning, as Restated (Note 22)				35,341,497	14,004,391	49,345,888
Net Position - Ending				\$ 63,897,778	\$ 17,018,857	\$ 80,916,635

B. Fund Financial Statements

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Governmental Funds

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TOMS RIVER REGIONAL SCHOOLS
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2022

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 24,399,508	\$ -	\$ 46,190,526	\$ 750,418	\$ 71,340,452
Cash Held with Fiscal Agent	2,779,204	-	-	-	2,779,204
Receivables, Net:					
Tax Levy Receivable	-	-	-	1	1
Interfund Receivable	79,457	-	750,000	-	829,457
Due from Other Governments:					
Federal	21,917	4,275,124	-	-	4,297,041
State	6,652,013	598	868,170	-	7,520,781
Other	287,524	-	-	-	287,524
Other Accounts Receivable	374,102	-	-	-	374,102
Restricted Cash & Cash Equivalents	36,225,534	-	-	-	36,225,534
Total Assets	\$ 70,819,259	\$ 4,275,722	\$ 47,808,696	\$ 750,419	\$ 123,654,096
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 1,235,919	\$ -	\$ -	\$ 1,235,919
Accounts Payable	334,845	936,491	-	-	1,271,336
Accrued Liabilities	3,821,800	-	-	-	3,821,800
Unemployment Liability	531,024	-	-	-	531,024
Payroll Withholding and Deductions	8,408,538	-	-	-	8,408,538
Intergovernmental Payable:					
Federal	-	2,132	-	-	2,132
State	-	101,410	-	-	101,410
Interfund Payable	-	-	79,457	750,000	829,457
Unearned Revenue	-	940,796	-	-	940,796
Other Liabilities	2,802,715	66,280	-	-	2,868,995
Total Liabilities	15,898,922	3,283,027	79,457	750,000	20,011,406
Fund Balances:					
Restricted for:					
Capital Reserve	14,865,889	-	-	-	14,865,889
Maintenance Reserve	14,847,300	-	-	-	14,847,300
Emergency Reserve	717,261	-	-	-	717,261
Unemployment Reserve	5,795,084	-	-	-	5,795,084
Excess Surplus Designated for Subsequent Year	1,272,131	-	-	-	1,272,131
Capital Projects	-	-	46,808,908	-	46,808,908
Debt Service	-	-	920,331	419	920,750
Scholarship	-	47,664	-	-	47,664
Student Activity	-	945,031	-	-	945,031
Assigned to:					
Designated for Subsequent Year	7,778,549	-	-	-	7,778,549
Other Purposes	2,537,851	-	-	-	2,537,851
Unassigned	7,106,272	-	-	-	7,106,272
Total Fund Balances	54,920,337	992,695	47,729,239	419	103,642,690
Total Liabilities & Fund Balances	\$ 70,819,259	\$ 4,275,722	\$ 47,808,696	\$ 750,419	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$489,607,899 and the accumulated depreciation is \$250,872,400.	238,735,499
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$7,025,870 and the accumulated amortization is \$1,439,241.	5,586,629
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	5,411,138
Deferred Inflows Related to Pensions	(31,423,074)
Deferred Outflow Related to the Loss on Bond Refunding of Debt	1,095,143
Other liabilities included in the governmental funds represent leases that were entered into prior to June 30, 2022 and are included as liabilities in the long-term liability note below.	2,802,715
Accrued liability for insurance claims not due and payable in the current period and therefore is not reported as a liability in the funds	(11,812,933)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(514,558)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(4,408,801)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(245,216,670)
Net Position of Governmental Activities	\$ 63,897,778

**TOMS RIVER REGIONAL SCHOOLS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 164,845,442	\$ -	\$ -	\$ 10,879,023	\$ 175,724,465
Tuition Charges	1,242,007	-	-	-	1,242,007
Interest on Investments	-	-	160,223	-	160,223
Transportation Charges	86,942	-	-	-	86,942
Miscellaneous	1,615,171	1,573,479	-	-	3,188,650
Total Local Sources	167,789,561	1,573,479	160,223	10,879,023	180,402,286
State Sources	115,009,051	965,454	868,170	3,051,603	119,894,278
Federal Sources	454,644	15,134,442	-	-	15,589,086
Total Revenues	283,253,256	17,673,375	1,028,393	13,930,626	315,885,650
Current Expenditures:					
Instruction:					
Regular Instruction	66,125,771	11,132,686	-	-	77,258,457
Special Education Instruction	22,313,587	-	-	-	22,313,587
Other Instruction	5,074,194	-	-	-	5,074,194
Support Services:					
Tuition	5,087,202	-	-	-	5,087,202
Health Services	3,557,843	-	-	-	3,557,843
Student & Instruction Related Services	17,599,448	6,347,233	-	-	23,946,681
General Administrative	2,489,372	-	-	-	2,489,372
School Administrative Services	8,287,851	-	-	-	8,287,851
Central Services	2,587,039	-	-	-	2,587,039
Administrative Information Technology	1,696,733	-	-	-	1,696,733
Plant Operations & Maintenance	19,515,771	-	-	-	19,515,771
Pupil Transportation	16,096,534	-	-	-	16,096,534
Unallocated Benefits	52,044,942	-	-	-	52,044,942
On Behalf TPAF Pension and Social Security Contributions	50,460,866	-	-	-	50,460,866
Special Schools	22,010	-	-	-	22,010
Charter Schools	220,055	-	-	-	220,055
Capital Outlay	2,394,026	115,727	66,909,154	-	69,418,907
Debt Service:					
Principal	-	-	-	10,182,834	10,182,834
Interest & Other Charges	371,261	-	-	4,748,075	5,119,336
Total Expenditures	275,944,506	17,595,646	66,909,154	14,930,909	375,380,215
Excess/(Deficiency) of Revenues Over Expenditures	7,308,750	77,729	(65,880,761)	(1,000,283)	(59,494,565)
Other Financing Sources (Uses):					
Transfer In/Out	-	-	(1,000,000)	1,000,000	-
Capital Lease (Non-Budgeted)	2,080,109	-	-	-	2,080,109
Total Other Financing Sources (Uses)	2,080,109	-	(1,000,000)	1,000,000	2,080,109
Net Changes in Fund Balances	9,388,859	77,729	(66,880,761)	(283)	(57,414,456)
Fund Balance, July 1	45,531,478	914,966	114,610,000	702	161,057,146
Fund Balance, June 30	\$ 54,920,337	\$ 992,695	\$ 47,729,239	\$ 419	\$ 103,642,690

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

**TOMS RIVER REGIONAL SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Total Net Changes in Fund Balances - Governmental Funds (B-2)		\$ (57,414,456)
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 depreciation exceeded capital outlays in the period.		
	Depreciation Expense Adjustments on Capital Assets Transfer to Other Funds Capital Outlays	\$ (8,341,228) 85,518 (304,148) 69,418,907 <hr style="width: 100%;"/>
		60,859,049
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		11,998,419
Repayment of long-term debt principal and obligation of lease purchase agreements are 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 Obligations under Capital leases Retirements of Notes Payable Deferred Pension Obligation	10,385,000 1,931,589 182,834 109,734 <hr style="width: 100%;"/>
		12,609,157
Issuance 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 assets.		
	Financing Lease Proceeds	(2,080,109) <hr style="width: 100%;"/>
		(2,080,109)
Governmental funds recognize the right to use leased assets as a revenue when lease is first entered, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
	Purchase of Right to Use Leased Assets Amortization of Right to Use Leased Assets	2,080,109 (1,439,241) <hr style="width: 100%;"/>
		640,868
Claims that have been incurred but not yet report at June 30 are liabilities on the statement of net position, but are not reflected in the governmental funds. This amounts reflects the change in liability balances at June 30, 2022		
		1,386,271
In the current year, the District entered into capital lease agreements prior to the end of the fiscal year in which the lease proceeds were unspent and recorded as other liabilities in the general fund. This amount represent the change from the prior year.		
		608,036
Expenses reported in the statement of activities that do not require the use of current financial resources, such as the obligation for post employment benefits other than pensions, are not reported as expenditures in governmental funds. This amount represents the change from the prior years		
		797,370
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
	Amortization of Premium on Bonds Amortization of Loss on Bond Refunding	204,081 (355,189) <hr style="width: 100%;"/>
		(151,108)
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 an addition in the reconciliation (+).		
		18,046
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 (+).		
		(715,262)
Change in Net Position of Governmental Activities		\$ 28,556,281 <hr style="width: 100%;"/>

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Proprietary Funds

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**TOMS RIVER REGIONAL SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2022**

	MAJOR FUNDS					TOTALS
	ENTERPRISE					
	FOOD SERVICE	DAY CARE	CORPORATE CENTER	RWJ BARNABAS HEALTH ARENA	BENNETT COMPLEX	
ASSETS						
Current Assets:						
Cash & Cash Equivalents	\$ 2,652,930	\$ 81,660	\$ 804,628	\$ 420,980	\$ 673,977	\$ 4,634,175
Accounts Receivable:						
Federal	583,503	-	-	-	-	583,503
State	10,662	-	-	-	-	10,662
Other Receivables	-	-	16,041	-	-	16,041
Other Current Assets	-	-	183,274	-	-	183,274
Lease Receivable	-	-	647,600	-	-	647,600
Inventories	118,683	-	-	-	-	118,683
Total Current Assets	3,365,778	81,660	1,651,543	420,980	673,977	6,193,938
Non-current Assets:						
Capital Assets	2,081,159	173,328	10,291,169	3,725,453	3,155,599	19,426,708
Less: Accumulated Depreciation	(1,893,201)	(42,551)	(3,731,012)	(1,339,067)	(580,267)	(7,586,098)
Total Capital Assets, Net	187,958	130,777	6,560,157	2,386,386	2,575,332	11,840,610
Lease Receivable, Non-current	-	-	1,322,824	-	-	1,322,824
Total Non-current Assets	187,958	130,777	7,882,981	2,386,386	2,575,332	13,163,434
Total Assets	3,553,736	212,437	9,534,524	2,807,366	3,249,309	19,357,372
LIABILITIES						
Current Liabilities:						
Accounts Payable	-	-	2,774	-	-	2,774
Unearned Revenue	98,529	-	-	6,509	-	105,038
Accrued Salary and Benefits	12,730	5,365	-	-	-	18,095
Deposits Payable	-	-	74,194	-	-	74,194
Prepaid Rent	-	-	47,884	-	-	47,884
Total Current Liabilities	111,259	5,365	124,852	6,509	-	247,985
Noncurrent Liabilities:						
Compensated Absences Payable	130,822	-	-	-	-	130,822
Total Noncurrent Liabilities	130,822	-	-	-	-	130,822
Total Liabilities	242,081	5,365	124,852	6,509	-	378,807
DEFERRED INFLOWS OF RESOURCES						
Leasing Arrangements	-	-	1,959,708	-	-	1,959,708
Total Deferred Inflows of Resources	-	-	1,959,708	-	-	1,959,708
NET POSITION						
Investment in Capital Assets	187,958	130,777	6,560,157	2,386,386	2,575,332	11,840,610
Non-spendable - Leases	-	-	10,716	-	-	10,716
Unrestricted	3,123,697	76,295	879,091	414,471	673,977	5,167,531
Total Net Position	\$ 3,311,655	\$ 207,072	\$ 7,449,964	\$ 2,800,857	\$ 3,249,309	\$ 17,018,857

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

**TOMS RIVER REGIONAL SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS					TOTALS
	ENTERPRISE					
	FOOD SERVICE	DAY CARE	CORPORATE CENTER	RWJ BARNABAS HEALTH ARENA	BENNETT COMPLEX	
Operating Revenues:						
Charges for Services:						
Daily Sales - Reimbursable Programs	\$ 11,777	\$ -	\$ -	\$ -	\$ -	\$ 11,777
Daily Sales - Non-Reimbursable Programs	325,764	-	-	-	-	325,764
Tuition	-	311,236	-	-	-	311,236
Rental Income	-	-	815,253	256,761	162,810	1,234,824
Sponsors Income	-	-	-	237,265	-	237,265
Sales	-	-	-	126,258	48,541	174,799
Special Functions	10,812	-	-	-	-	10,812
Miscellaneous	930	-	36,189	13,664	2,509	53,292
Total Operating Revenues	349,283	311,236	851,442	633,948	213,860	2,359,769
Operating Expenses:						
Cost of Sales - Reimbursable Programs	2,397,408	-	-	-	-	2,397,408
Cost of Sales - Non-Reimbursable Programs	121,595	-	-	-	-	121,595
Salaries	1,809,871	180,164	-	109,906	83,959	2,183,900
Employee Benefits	257,719	14,981	-	13,086	6,423	292,209
Repairs	-	-	70,841	12,951	28,156	111,948
Maintenance	-	-	54,680	-	-	54,680
Insurance	-	-	-	17,226	3,482	20,708
Supplies and Materials	-	1,952	4,085	67,747	33,921	107,705
Rental	-	15,650	-	-	-	15,650
Depreciation	27,052	178	218,351	76,300	105,480	427,361
Amortization	-	-	4,151	-	-	4,151
Utilities	-	-	199,206	146,235	58,880	404,321
Real Estate Taxes	-	-	156,163	-	-	156,163
Purchased Technical	116,431	-	182,251	5,458	8,609	312,749
Other	58,192	-	28,008	107,380	25,283	218,863
Total Operating Expenses	4,788,268	212,925	917,736	556,289	354,193	6,829,411
Operating Income/(Loss)	(4,438,985)	98,311	(66,294)	77,659	(140,333)	(4,469,642)
Nonoperating Revenues (Expenses):						
State Sources:						
State School Lunch Program	121,213	-	-	-	-	121,213
Federal Sources:						
National School Lunch Program	5,169,997	-	-	-	-	5,169,997
National School Breakfast Program	1,119,886	-	-	-	-	1,119,886
Summer Feeding Program	160,694	-	-	-	-	160,694
Summer Feeding Program-Administrative Fee	16,461	-	-	-	-	16,461
Emergency Operational Cost Program	193,106	-	-	-	-	193,106
P-EBT Administrative Cost	6,198	-	-	-	-	6,198
Food Distribution Program	396,685	-	-	-	-	396,685
Interest Revenue	83	-	-	-	-	83
Donations of Capital Assets from Other Funds	-	3,569	102,275	-	198,304	304,148
Adjustment to Capital Assets	(4,363)	-	-	-	-	(4,363)
Total Nonoperating Revenues/(Expenses)	7,179,960	3,569	102,275	-	198,304	7,484,108
Change in Net Position	2,740,975	101,880	35,981	77,659	57,971	3,014,466
Total Net Position - Beginning	570,680	105,192	7,413,983	2,723,198	3,191,338	14,004,391
Total Net Position - Ending	\$ 3,311,655	\$ 207,072	\$ 7,449,964	\$ 2,800,857	\$ 3,249,309	\$ 17,018,857

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

**TOMS RIVER REGIONAL SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS					
	ENTERPRISE					
	FUNDS					
	FOOD SERVICE	DAY CARE	CORPORATE CENTER	RWJ BARNABAS HEALTH ARENA	BENNETT COMPLEX	TOTALS
Cash Flows From Operating Activities:						
Receipts from Customers	\$ 531,128	\$ 311,236	\$ 878,777	\$ 633,948	\$ 213,860	\$ 2,568,949
Payments to Employees	(1,809,871)	(180,164)	-	(109,906)	(83,959)	(2,183,900)
Payments for Employee Benefits	(257,719)	(14,981)	-	(13,086)	(6,423)	(292,209)
Payments to Suppliers	(2,097,176)	(21,693)	(886,195)	(356,997)	(158,331)	(3,520,392)
Net Cash Provided by/(Used for) Operating Activities	(3,633,638)	94,398	(7,418)	153,959	(34,853)	(3,427,552)
Cash Flows From Noncapital Financing Activities:						
State Sources	121,213	-	-	-	-	121,213
Federal Sources	6,666,342	-	-	-	-	6,666,342
Net Cash Provided by/(Used for) Noncapital Financing Activities	6,787,555	-	-	-	-	6,787,555
Cash Flows From Capital & Related Financing Activities:						
Purchases of Capital Assets	(67,960)	-	-	-	-	(67,960)
Net Cash Provided by/(Used for) Capital & Related Financing Activities	(67,960)	-	-	-	-	(67,960)
Cash Flows From Investing Activities						
Interest	83	-	-	-	-	83
Net Cash Provided by/(Used for) Investing Activities	83	-	-	-	-	83
Net Increase/(Decrease) in Cash & Cash Equivalents	3,086,040	94,398	(7,418)	153,959	(34,853)	3,292,126
Balances - Beginning of Year	(433,110)	(12,738)	812,046	267,021	708,830	1,342,049
Balances - End of Year	\$ 2,652,930	\$ 81,660	\$ 804,628	\$ 420,980	\$ 673,977	\$ 4,634,175
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Operating Income/(Loss)	\$ (4,438,985)	\$ 98,311	\$ (66,294)	\$ 77,659	\$ (140,333)	\$ (4,469,642)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:						
Depreciation	27,052	178	218,351	76,300	105,480	427,361
Amortization	-	-	4,151	-	-	4,151
Food Distribution Program	396,685	-	-	-	-	396,685
(Increase)/Decrease in Accounts Receivable, Net	205,980	-	38,051	-	-	244,031
(Increase)/Decrease in Other Current Assets	194,495	-	(71,073)	-	-	123,422
(Increase)/Decrease in Lease Receivable	-	-	357,257	-	-	357,257
Increase/(Decrease) in Other Current Liabilities	5,270	(4,091)	(7,758)	-	-	(6,579)
Increase/(Decrease) in Other Long Term Liabilities	(1,625)	-	-	-	-	(1,625)
Increase/(Decrease) in Deferred Inflows of Resources	-	-	(367,973)	-	-	(367,973)
Increase/(Decrease) in Unearned Revenue	(22,510)	-	-	-	-	(22,510)
Increase/(Decrease) in Accounts Payable	-	-	(112,130)	-	-	(112,130)
Total Adjustments	805,347	(3,913)	58,876	76,300	105,480	1,042,090
Net Cash Provided/(Used) by Operating Activities	\$ (3,633,638)	\$ 94,398	\$ (7,418)	\$ 153,959	\$ (34,853)	\$ (3,427,552)

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

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Fiduciary Fund
Not Applicable

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TOMS RIVER REGIONAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Toms River Regional School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Ocean, 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 appointed to three-year staggered terms. The District provides a full range of educational services appropriate to grades levels Pre-K through 12th grade includes both regular and special education programs. The School District has an approximate enrollment at June 30, 2022 of 14,559 students.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2022.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

The School District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the School District accompanied by a total column. Fiduciary activities of the School District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the School District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from Energy Saving Improvement Plan ("ESIP") or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The School District reports the following major proprietary funds:

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

Corporate Center Enterprise Fund – The corporate center enterprise fund accounts for all revenues and expense pertaining to the operation of the Center that are financed and operated in a manner similar to private business enterprises. Costs are offset by rental income paid by tenants of the Center. In April 1997, the District acquired commercial office building and land for \$6,041,170 and \$1,421,600 respectively. The District's administrative offices are maintained in the building as well as other ancillary school services. The District renovated vacant office space for use as additional classrooms, a day care facility, and a cafe serving both school board and tenant employees. The District has entered into contract with Atlantic Coast Realty Appraisal Group, Inc. to provide professional management services in connection with rental agreements with its commercial tenants.

Daycare Center Enterprise Fund – The Daycare Center ("Center") accounts for all revenues and expenses of the Center and is run as its own separate entity. The Center provides services primarily for District employees. The Center operates from September to June and is open 184 days per year.

John Bennett Complex Enterprise Fund – The John Bennett Complex ("Complex") accounts for all revenues and expenses of the Complex and is run as its own separate entity and used as the gymnasium for Intermediate School East. The Complex is an air structure used for indoor track and sporting events that is also rented by outside parties.

RWJ Barnabas Health Arena Enterprise Fund – The RWJ Barnabas Health Arena, on the campus High School North, accounts for all revenues and expenses of the Arena and is run as its own separate entity and the facility is used as the high school gymnasium during school hours but is rented to other parties for various sporting events, trade shows, and concerts during after school hours.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

The budget, as detailed on Exhibit C-1, Exhibit C-2, and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Leases Receivable

The District's leases receivable are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives
Land Improvements	10-20 Years
Machinery and equipment	5-12 Years
Buildings	50 Years
Building improvements	20-50 Years
Vehicles	5-10 Years

Right to Use Leased Assets

The School District has recorded right to use leased assets as a result of implementing GASB 87. The right to use leased 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 right to use leased assets are amortized on a straight-line basis over the life of the related lease.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measureable and the School District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School District has two items that meet this criterion, pension deferrals and an unamortized loss on debt refunding.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. The School District has two items that meet this criterion, pension deferrals and an unamortized loss on debt refunding.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

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

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year. Leases are a portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 6, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 87, *Leases*. 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 government's leasing activities. Implementation of this standard resulted in a prior period adjustment to net position and additional footnotes

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 93, *Replacement of Interbank Offered Rates*. This Statement establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases in addition to identifying appropriate benchmark interest rates for hedging derivative instruments. Requirements of this pronouncement related to paragraph 11b will be effective for reporting periods ending after December 31, 2021, and requirements related to paragraphs 13 and 14 will be effective for fiscal years beginning after June 15, 2021. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Statement No. 98, *The Annual Comprehensive Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Management has determined the implementation of certain provisions within this Statement did not have a significant impact on the Districts's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. This statement is effective for reporting periods beginning after June 15, 2022.

Statement No. 99, *Omnibus 2022*. The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Statement No. 100, *Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has yet to determine the potential impact of these pronouncements on the District's financial statements.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the School District’s bank balance of \$120,330,980 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	113,909,413
Uninsured and Uncollateralized		6,421,567
Total	\$	120,330,980

Investments

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

- a. Bonds and Other obligations of the United State or obligation guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal home Loan Bank, Federal national Mortgage Agency or of any Untied State Bank, which have a maturity date not greater than twelve month from the date of purchase.
- c. New Jersey Cash Management Fund and new Jersey Asset and Rebate Management Fund.

As of June 30, 2022 the District's investment balance of \$220,580 was in Solar Renewable Energy Certificates (SRECs). The District categorizes it fair value measurement within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant and unobservable.

The District has the following recurring fair value measurements as of June 30, 2022:

SRECs in the amount of \$220,580

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by the inclusion in September of 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Reserve Accounts (Continued)

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 School 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 *N.J.S.A.19:60-2* . Pursuant to *N.J.A.C.6:23A-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 July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$	8,858,545
Increased by:		
Interest Earnings		7,344
Deposits Approved by Board		6,000,000
		6,000,000
Ending Balance, June 30, 2022	\$	14,865,889

The District has budgeted \$8,250,000 of the June 30, 2022 capital reserve balance in its 2022-23 fiscal year budget.

Emergency Reserve

The School District established an emergency reserve account in the 2006-2007 school year for the accumulation of funds for use in accordance with N.J.S.A. 18A: 7F-41c(1) to finance unanticipated general fund expenditures.

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

Beginning Balance, July 1, 2021	\$	716,546
Increased by:		
Interest Earnings		715
		715
Ending Balance, June 30, 2022	\$	717,261

Unemployment Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2021	\$	5,789,110
Increased by:		
Interest Earnings		5,974
		5,974
Ending Balance, June 30, 2022	\$	5,795,084

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Reserve Accounts (Continued)

Maintenance Reserve

A maintenance reserve account was established by the School District during the 2003-2004 school year for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2021	\$	12,840,964
Increased by:		
Interest Earnings		6,336
Deposits Approved by Board		3,000,000
		15,847,300
Decreased by:		
Budget Withdrawals		(1,000,000)
Ending Balance, June 30, 2022	\$	14,847,300

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2022. The District has budgeted \$1,000,000 of the June 30, 2022 maintenance reserve balance in its 2022-23 fiscal year budget.

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	General Fund	Special Revenue Fund	Capital Projects Fund	
Federal Awards	\$ 21,917	\$ 4,275,124	\$ -	\$ 4,297,041
State Awards	6,652,013	598	868,170	7,520,781
Tuition	374,102	-	-	374,102
Other	287,525	-	-	287,525
Total	\$ 7,335,557	\$ 4,275,722	\$ 868,170	\$ 12,479,449
<u>Description</u>	Proprietary Funds		Total Business-Type Activities	
	Food Service Fund	Corporate Center		
Federal Awards	\$ 583,503	\$ -	\$ 583,503	
State Awards	10,662	-	10,662	
Other	-	16,041	16,041	
Total	\$ 594,165	\$ 16,041	\$ 610,206	

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 5. Capital Assets

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

	Governmental Activities				Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Adjustments	Transfer to Other Funds	
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 5,368,923	\$ -	\$ -	\$ -	\$ 5,368,923
Construction in Progress	4,134,515	30,611,957	-	-	34,746,472
Total Capital Assets not being depreciated	<u>9,503,438</u>	<u>30,611,957</u>	<u>-</u>	<u>-</u>	<u>40,115,395</u>
Capital Assets being depreciated:					
Land Improvements	29,961,697	2,745,474	76,925	(3,569)	32,780,527
Buildings and Improvements	363,901,733	34,620,666	150,840	(300,579)	398,372,660
Equipment	17,909,505	1,440,810	(1,010,998)	-	18,339,317
Total Capital Assets being depreciated	<u>411,772,935</u>	<u>38,806,950</u>	<u>(783,233)</u>	<u>(304,148)</u>	<u>449,492,504</u>
Less: Accumulated Depreciation:					
Land Improvements	(19,115,050)	(843,409)	(919)	-	(19,959,378)
Buildings and Improvements	(208,920,952)	(6,655,611)	(1,974)	-	(215,578,537)
Equipment	(15,363,921)	(842,208)	871,644	-	(15,334,485)
Total Accumulated Depreciation	<u>(243,399,923)</u>	<u>(8,341,228)</u>	<u>868,751</u>	<u>-</u>	<u>(250,872,400)</u>
Total Capital Assets being depreciated, net	<u>168,373,012</u>	<u>30,465,722</u>	<u>85,518</u>	<u>(304,148)</u>	<u>198,620,104</u>
Total Governmental Activities Capital Assets, net	<u>\$ 177,876,450</u>	<u>\$ 61,077,679</u>	<u>\$ 85,518</u>	<u>\$ (304,148)</u>	<u>\$ 238,735,499</u>

	Business-Type Activities				Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Adjustments	Transfer From Other Funds	
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 1,421,600	\$ -	\$ -	\$ -	\$ 1,421,600
	<u>1,421,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,421,600</u>
Capital Assets being depreciated:					
Land Improvements	2,288,485	-	-	3,569	2,292,054
Buildings	12,741,919	-	-	300,579	13,042,498
Equipment	2,803,556	67,959	(200,959)	-	2,670,556
Total Capital Assets being depreciated	<u>17,833,960</u>	<u>67,959</u>	<u>(200,959)</u>	<u>304,148</u>	<u>18,005,108</u>
Less: Accumulated Depreciation:					
Land Improvements	(582,656)	(103,098)	-	-	(685,754)
Buildings	(4,549,289)	(289,937)	-	-	(4,839,226)
Equipment	(2,220,485)	(34,326)	193,693	-	(2,061,118)
Total Accumulated Depreciation	<u>(7,352,430)</u>	<u>(427,361)</u>	<u>193,693</u>	<u>-</u>	<u>(7,586,098)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 11,903,130</u>	<u>\$ (359,402)</u>	<u>\$ (7,266)</u>	<u>\$ 304,148</u>	<u>\$ 11,840,610</u>

An appraisal of capital assets was performed during 2021-2022 resulting in adjustments to the historical value of certain assets. The adjustments are recorded on the Statement of Activities in the government-wide financial statements.

No adjustment has been made for accumulated depreciation related to capital assets transferred to Business-Type Activities as these capital assets were transferred at the time they were placed in service and the respective depreciation expense was recorded in the Business-Type Activities.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the School District as follows:

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 3,524,444
Special Education Instruction	1,017,920
Other Instruction	231,479
Support Services:	
Student & Instruction Related Services	1,254,725
General Administrative	113,561
School Administrative Services	378,082
Central Services	118,018
Administrative Info. Technology	77,403
Plant Operations & Maintenance	890,287
Pupil Transportation	734,305
Summer Schools	1,004
	8,341,228
Total Depreciation Expense - Governmental Activities	\$ 8,341,228

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2022 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 79,457	\$ -
Capital Projects Fund	750,000	79,457
Debt Service Fund	-	750,000
	\$ 829,457	\$ 829,457

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Capital Projects	\$ -	\$ 1,000,000
Debt Service	1,000,000	-
	\$ 1,000,000	\$ 1,000,000

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>June 30, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 187,060,000	\$ -	\$ 10,385,000	\$ 176,675,000	\$ 10,715,000
Notes Payable	365,668	-	182,834	182,834	182,834
Lease Obligations	5,467,710	2,080,109	1,931,589	5,616,230	1,832,601
Unamortized Bond Premiums	2,072,169	-	204,081	1,868,088	204,082
Pension Obligations	511,979	-	109,734	402,245	100,320
Compensated Absences	16,118,634	715,262	-	16,833,896	1,127,802
Net Pension Liability	60,675,928	-	19,061,334	41,614,594	-
OPEB Liability	2,821,153	59,139	856,509	2,023,783	-
	<u>\$ 275,093,241</u>	<u>\$ 2,854,510</u>	<u>\$ 32,731,081</u>	<u>\$ 245,216,670</u>	<u>\$ 14,162,639</u>
Business-Type Activities:					
Compensated Absences	\$ 132,447	\$ -	\$ 1,625	\$ 130,822	\$ -
	<u>\$ 132,447</u>	<u>\$ -</u>	<u>\$ 1,625</u>	<u>\$ 130,822</u>	<u>\$ -</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences, ESIP, deferred pension obligations, lease obligations, unamortized bond premiums and the net pension liability are liquidated by the general fund.

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

\$15,790,000, 2009 refunding bonds, due in annual installments ranging from \$1,335,000 to \$1,485,000 through July 15, 2022 at interest rates ranging from 3.63% to 4.00%.

\$17,635,000, 2012 refunding bonds, due in annual installments ranging from \$1,180,000 to \$1,710,000 through July 15, 2028 at interest rate of 4.00%.

\$20,365,000, 2013 refunding bonds, due in annual installments ranging from \$960,000 to \$4,630,000 through July 15, 2024 at interest rates ranging from 2.01% to 3.12%.

\$6,055,000, 2016 refunding bonds, due in annual installments ranging from \$1,515,000 to \$1,550,000 through July 15, 2021 at interest rate of 1.40%.

On December 20, 2017, the District issued School Energy Savings Obligations Refunding Bonds in the amount of \$16,710,000 to finance energy conservation measures pursuant to an Energy Savings Improvement Plan ("ESIP") at interest rates ranging from 3.125% to 5.00% through December 15, 2038.

On January 22, 2019, the district issued \$147,148,000 in school bonds, due in annual installments of \$4,503,000 to \$9,000,000 through July 15, 2039 with interest rates ranging from 2.00% to 3.00%

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations (Continued)

Bonds Payable (Continued)

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 10,715,000	\$ 5,073,994	\$ 15,788,994
2024	11,140,000	4,766,139	15,906,139
2025	11,565,000	4,448,768	16,013,768
2026	7,545,000	4,186,844	11,731,844
2027	8,110,000	3,982,694	12,092,694
2028-2032	47,260,000	16,089,113	63,349,113
2033-2037	50,595,000	8,376,384	58,971,384
2038-2040	29,745,000	1,305,431	31,050,431
	<u>\$ 176,675,000</u>	<u>\$ 48,229,367</u>	<u>\$ 224,904,367</u>

Notes Payable -CREBS

Principal and interest due on notes payable is as following:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 182,834	\$ 1,051	\$ 183,885

Pension Obligation

Principal and interest due on notes payable is as following:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 100,320	\$ 36,614	\$ 136,934
2024	108,931	28,003	136,934
2025	192,994	27,254	220,248
	<u>\$ 402,245</u>	<u>\$ 91,871</u>	<u>\$ 494,116</u>

Lease Obligations

The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The School District executed an agreement on May 31, 2018 to lease office equipment and buses that requires annual payments of \$459,630. There are no variable payment components of the leases. The lease liabilities are measured at an explicit discount rate of 2.887% and have a balance of \$446,630 at June 30, 2022. As a result of the leases, the School District has recorded right to use leased assets with a net book value of \$440,364 at June 30, 2022. The right to use leased assets are discussed in more detail in Note 16.

The School District executed two agreements on May 30, 2019 and June 26, 2019 to lease office equipment and buses that requires annual payments of \$181,835 and \$169,124, respectively. There are no variable payment components of the leases. The lease liabilities are measured at an explicit discount rate of 2.52% and 2.13% and have balances of \$350,370 and \$327,741, respectively, at June 30, 2022. As a result of the leases, the School District has recorded right to use leased assets with a net book value of \$346,082 and \$324,335 at June 30, 2022. The right to use leased assets are discussed in more detail in Note 16

The School District executed an agreement on May 29, 2020 to lease office equipment and buses that requires annual payments of \$269,771. There are no variable payment components of the leases. The lease liabilities are measured at an explicit discount rate of 1.66% and have a balance of \$783,171 at June 30, 2022. As a result of the leases, the School District has recorded right to use leased assets with a net book value of \$776,812 at June 30, 2022. The right to use leased assets are discussed in more detail in Note 16.

The School District executed an agreement on May 27, 2021 to lease office equipment and buses that requires annual payments of \$418,925. There are no variable payment components of the leases. The lease liabilities are measured at an explicit discount rate of 1.16% and have a balance of \$1,628,209 at June 30, 2022. As a result of the leases, the School District has recorded right to use leased assets with a net book value of \$1,618,927 at June 30, 2022. The right to use leased assets are discussed in more detail in Note 16.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations (Continued)

Lease Obligations (Continued)

The School District executed two agreements on June 30, 2022 to lease office equipment and buses that requires annual payments of \$150,184 and \$300,367. There are no variable payment components of the leases. The lease liabilities are measured at an explicit discount rate of 2.718% and have balances of \$693,370 and \$1,501,835 . As a result of the leases, the School District has recorded right to use leased assets with a net book value of \$693,370 and \$1,501,835 at June 30, 2022. The right to use leased assets are discussed in more detail in Note 16.

The following is a schedule of the remaining future minimum lease payments under these leases and the present value of the net minimum lease payments at June 30, 2022:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,832,601	\$ 117,129	\$ 1,949,730
2024	1,413,396	76,810	1,490,206
2025	1,090,461	48,786	1,139,247
2026	841,143	28,333	869,476
2027	438,629	11,923	450,552
Total	<u>\$ 5,616,230</u>	<u>\$ 282,981</u>	<u>\$ 5,899,211</u>

Bonds Authorized but not Issued

As of June 30, 2022, the School District had no bonds authorized but not issued.

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$41,614,594 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.3512817867%, which was a decrease of 0.0207945994% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension benefit of \$7,870,477 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School 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	\$ 656,316	\$ 297,911
Changes of Assumptions	216,728	14,815,065
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	10,962,378
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	129,293	5,347,720
School District contributions subsequent to measurement date	4,408,801	-
	\$ 5,411,138	\$ 31,423,074

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

\$4,408,801 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2021-2022 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.11%. The payable is due on April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,		
2023	\$	(11,954,929)
2024		(8,418,758)
2025		(5,831,259)
2026		(3,580,849)
2027		(634,942)
	<u>\$</u>	<u>(30,420,737)</u>

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion and Differences between District Contributions Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Actuarial Assumptions – The collective total pension liability for the June 30, 2021 measurement date 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:

Inflation	
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%

Mortality Rate Table

Pub-2010 General Below-Median Income Employee mortality table with
fully generational mortality improvement projections from the central
year using Scale MP-2021

Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2014 - June 30, 2018

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Assets	3.00%	9.15%
Real Estate	8.00%	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%
	<u>100.00%</u>	

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 and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School 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 or 1-percentage point higher than the current rate:

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 57,274,747	\$ 41,614,594	\$ 29,144,813

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
School District's portion	0.35128%	0.37208%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021 the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$423,921,838. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.8817892338%, which was a decrease of 0.0044225098% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized a pension expense in the amount of \$9,975,067 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2021 measurement date.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55% - 4.45% 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 on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 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:

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Assets	3.00%	9.15%
Real Estate	8.00%	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%
	<u>100.00%</u>	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 501,570,345	\$ 423,921,838	\$ 358,701,971

Pension Plan Fiduciary Net Position - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,548,228
Collective Deferred Inflows of Resources	27,363,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
School District's portion	0.88179%	0.88621%

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, employee contributions totaled \$143,765, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$80,066.

Note 9. Other Post-Retirement Benefits

State Plan

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%			
		<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:				
Through 2026		1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter		2.75 - 5.65% based on years of service	3.00 - 7.00% based on years of service	Not Applicable

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 the Scale MP-2021. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disabled retirees. Future disabled retirees were based on Pub-2010 "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.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$705,610,297. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 1.17586722%, which was a decrease of 0.0000531478% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$29,933,976 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% 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 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% 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 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.00%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 845,210,366	\$ 705,610,297	\$ 595,683,623
State of New Jersey's Total Nonemployer OPEB Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 571,157,964	\$ 705,610,297	\$ 886,121,681
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,573,338,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,045,886,863	\$ (18,009,362,976)
Change in Assumptions	10,179,536,966	(6,438,261,807)
Contributions Made in Fiscal Year Year Ending 2022 After June 30, 2019 Measurement Date **	TBD	N/A
	\$ 19,225,423,829	\$ (24,447,624,783)
Fiscal Year Ending June 30,		
2022	\$ (1,182,303,041)	
2023	(1,182,303,041)	
2024	(1,182,303,041)	
2025	(1,182,303,041)	
2026	(840,601,200)	
Thereafter	347,612,410	
	\$ (5,222,200,954)	

** Employer Contributions made after June 30, 2021 are reported as deferred outflow of resources, but are not amortized in expense.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

At June 30, 2020, the Program membership consisted of the following:

Active Plan Members	213,901
Currently Receiving Benefits	<u>150,427</u>
	<u><u>364,328</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Total OPEB Liability

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Change in Benefit Terms	(63,870,842)
Differences Between Expected and Actual Experiences	(11,385,071,658)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u><u>\$ 60,007,650,970</u></u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	416%

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Toms River Regional Schools Post-Retirement Health Plan

Plan Description

The District provides postemployment medical benefits, include prescription drug coverage, and vision and dental care, in accordance with state statute, to participating retirees and their beneficiaries. As of July 1, 2013, the valuation date, approximately 20 retirees meet the eligibility requirements set forth in P.L. 1992, c126. The District sponsors and participates in a single- employer defined benefit OPEB plan. The OPEB plan is administered by the District and does not issue a stand-alone financial statement.

The obligations of the plan members and the District are established by action of the District pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and members vary depending on the applicable agreement. The plan is closed to new entrants.

Employees covered by benefit terms

At June 30, 2022 there are fifteen inactive employees currently receiving benefits under the plan. There are no active employees or inactive employees entitled to but not yet receiving benefits

Total OPEB Liability

The total OPEB liability from District's plan is \$2,023,783.

Actuarial assumption and other inputs

The total OPEB liability of \$2,023,783 was reported in the June 30, 2022 actuarial valuation prepared by the District's actuary, Mernard Consulting Inc., which was determined using the following actuarial assumptions and other inputs, applied to all periods including in the measurement, unless otherwise specified.

Discount Rates	4.09%
Health care cost trend rates-Medical	4.30%
Health care cost trend rates-Pharmacy	7.50%
Health care cost trend rates-Standard Dental	4.00%
Health care cost trend rates-Vision	2.00%

The discount rate utilized during the June 30, 2022 measurement period was 4.09%.

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

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Toms River Regional Schools Post-Retirement Health Plan (continued)

Changes in the total OPEB liability report by the Menard Consulting, Inc.:

Balance at June 30, 2021	\$ 2,821,153
Changes for the year:	
Interest	59,139
Benefit Payments	(216,692)
Difference between expected & actual experience	(437,776)
Changes in assumptions and other inputs	<u>(202,041)</u>
Net Changes	<u>(797,370)</u>
Balance at June 30, 2022	<u><u>\$ 2,023,783</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.18% in 2021 to 4.09% in 2022.

For the year ended June 30, 2022, the District recognized OPEB expense of \$580,678.

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

The following presents the total OPEB liability of the District for school board retirees, as well as what the District's total OPEB liability would be if it were calculated using discount trend rates that are 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

	At 1% Increase	At Current Discount Rate (4.09%)	At 1% Decrease
Total OPEB liability	\$ 1,911,687	\$ 2,023,783	\$ 2,149,434

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

The following presents the total OPEB liability of the District for school board retirees, as well as what the District's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower (3.30%) or 1-percentage-point higher (5.30%) than the current discount rate:

	At 1% Increase	At Current Trend Rate	At 1% Decrease
Total OPEB liability	\$ 2,146,867	\$ 2,023,783	\$ 1,911,723

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$35,342,554, \$6,850,977, \$8,257,449 and \$9,886, respectively.

Note 11. Risk Management

The School 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.

During the 2022 fiscal year, the District was covered by commercial instance, as well as being self insured for workers' compensation (\$650,000 deductible/limit per occurrence), general auto liability (\$300,000 deductible/limit per occurrence) and student accidents (\$25,000 deductible/limit per occurrence).

Health Insurance-Self Insured

The District is self-insured for health benefits, which provides the District's employees' health benefits. There is a stop-loss policy for \$300,000 per covered individual. Under the program, annual rates are established with the insurance carrier based on expenses, project claims and a margin for fluctuation, thereby providing a predictable monthly premiums. The claims are filed with and paid by Meritain and on a monthly basis Meritain bills the District for actual claims paid.

The activity is reported in the government-wide financial statement and includes an accrual for health insurance claims incurred but not reported in the amount \$3,277,463 at June 30, 2022. This represents the amount estimated by categorizing the various claims and reviewing past history primarily on actual claims during the previous fiscal years, for which information was available and supplemental information with respect to certain other individual claims and proceedings. The stated liability is the District's best estimate based on currently known information and application of the foregoing procedures and funds the liability with annual appropriations in the general fund.

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>	
				<u>Restricted Unemployment Fund Balance</u>	<u>Unemployment Trust Liability Balance</u>
2021-22	\$ 602,337	\$ 5,974	\$ 485,783	\$ 531,024	\$ 5,795,084
2020-21	596,127	12,714	181,656	414,470	5,789,110
2019-20	437,302	-	682,509	-	5,776,395

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 11. Risk Management (continued)

*Self Insured Workers' Compensation/General and Auto Liability/Employment Practice/
Legal Liability/Student Accident*

The District is self-insured for amounts limited to between \$25,000 and \$650,000 per occurrence, depending upon the type and year the liability was incurred for certain types of claims and any excess is covered by excess insurance coverage. The liability was estimated by an actuary categorizing the various claims and reviewing past history based primarily on actual settlements by type of claims during the preceding fiscal years, for which information was available and supplemental information with respect to certain other individual claims and proceedings. The stated liability of \$8,535,469 is the District's best estimate based on currently known information and application of the foregoing procedures.

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. In the opinion of the administration and legal council, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Board. However, certain cases have a high probability of an unfavorable outcome. Therefor an accrual of \$3,182,849 has been record in the governmental funds to address any litigation matters that pertain to fiscal year ended June 30, 2022.

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

Note 13. Deferred Compensation

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

AIG/Valic	Lincoln Investment Planning	AXA Equitable
Tom Seely Agency	Asset Management Investment Planning	McGuckin Financial
Metlife	Siracusa Benefit Program	Travelers Citistreet
Discovery Financial	Legend Group/NEA Program	

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 14. Compensated Absences

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences 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.

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$16,833,896.

The liability for vested compensated absences of the proprietary fund is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$130,822.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 16. Right to Use Leased Assets

The School District has recorded a right to use leased asset. The assets are right to use leased assets for leased equipment and vehicles. The related lease is discussed in the Lease Obligations subsection of Note 7, Long-Term Liabilities. The right to use leased asset is amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the School District for the year ended June 30, 2022, was as follows

	Beginning Balance	Increases	Decreases	Ending Balance
Right to use leased assets				
Equipment and Vehicles	\$ 4,945,761	\$ 2,080,109	\$ -	\$ 7,025,870
Total right to use assets	<u>4,945,761</u>	<u>2,080,109</u>	<u>-</u>	<u>7,025,870</u>
Less accumulated amortization:				
Equipment and Vehicles	-	(1,439,241)	-	(1,439,241)
Total accumulated amortization	<u>-</u>	<u>(1,439,241)</u>	<u>-</u>	<u>(1,439,241)</u>
Right to use leased assets, net	<u>\$ 4,945,761</u>	<u>\$ 640,868</u>	<u>\$ -</u>	<u>\$ 5,586,629</u>

Note 17. Lease Receivable

In June 2022, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay monthly rates varying from \$15,052 to \$16,931 until May 2027 in exchange for operating its business within a 7,225 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2021-2022, the School District recognized \$178,146 of lease revenue and \$4,242 of interest revenue under the lease

In January 2019, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay a monthly rate of \$22,345 until January 2024 for operating its business within a 13,407 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2021-2022, the School District recognized \$303,021 of lease revenue and \$7,118 of interest revenue under the lease.

In September 2017, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay monthly rates varying from \$5,798 to \$6,583 until December 2027 in exchange for operating its business within a 3,141 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2021-2022, the School District recognized \$66,488 of lease revenue and \$11,709 of interest revenue under the lease.

In January 2021, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay a monthly rate of \$4,076 until December 2025 in exchange for operating its business within a 2,038 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2022, the School District recognized \$45,701 of lease revenue and \$5,577 of interest revenue under the lease

In January 2019, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay a monthly rate of \$7,980 until December 2023 in exchange for operating its business within a 3,785 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2021-2022, the School District recognized \$91,111 of lease revenue and \$5,615 of interest revenue under the lease.

In February 2020, the School District entered into an agreement with a tenant. Under the lease, the tenant will pay monthly rates varying from \$3,385 to \$3,590 until February 2023 for operating its business within a 1,562 square foot section in the Corporate Center. The lease receivable is measured at the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3%, which is an implied rate.

In fiscal year 2021-2022, the School District recognized \$41,471 of lease revenue and \$1,521 of interest revenue under the lease.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 18. 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. New Jersey school districts are required to reserve 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 was \$0.

Note 19. Fund Balances

General Fund – Of the \$54,920,337 General Fund fund balance at June 30, 2022, \$14,865,889 has been restricted for the Capital Reserve Account; \$14,847,300 has been restricted for the Maintenance Reserve Account; \$717,261 has been restricted for the Emergency Reserve Account; \$5,795,084 has been restricted for Unemployment Compensation, \$1,272,131 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$7,778,549 has been assigned for subsequent year's expenditures; \$2,537,851 has been assigned to other purposes, and \$7,106,271 is unassigned.

Special Revenue Fund – Of the \$992,695 Special Revenue Fund fund balance at June 30, 2022, \$945,031 is restricted for Student Activity; \$47,664 is restricted for Scholarship Fund.

Capital Projects Fund – Of the \$47,729,239 Capital Projects Fund fund balance at June 30, 2022, \$46,808,908 is restricted for future capital projects; \$920,331 is restricted for debt service approved by the School District.

Debt Service Fund – Of the \$419 Debt Service Fund fund balance at June 30, 2022, \$419 is restricted for future debt service payments.

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$131,309,432 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 21. Commitments

The District has contractual commitments at June 30, 2022 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$2,537,851 and \$39,469,066 in the Capital Projects Fund included in Restricted Fund Balance.

Note 22. Prior Period Adjustment/Restatement of Net Position

Net Position as of July 1, 2021, has been restated as follows for the implementation of GASB Statement No. 87, *Leases* .

Net Position as previously reported at June 30, 2021	\$ 36,129,923
Prior Period Adjustment- Implementation of GASB 87	<u>(788,426)</u>
Total Prior Period Adjustment	<u>(788,426)</u>
Net Position as restated, July 1, 2021	<u><u>\$ 35,341,497</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
10-1210	\$ 164,845,442	\$ -	\$ 164,845,442	\$ -
10-1310	35,000	-	153,740	118,740
10-1320	667,212	-	1,014,311	347,099
10-1340	-	-	73,956	73,956
10-1420	40,000	-	86,942	46,942
10-1910	100,000	-	274,881	174,881
10-1990	1,015,707	-	1,256,401	240,694
10-1993	715	-	715	-
10-1994	6,336	-	6,336	-
10-1995	7,344	-	7,344	(1)
Total Local Sources	166,717,756	-	166,717,756	1,002,310
State Sources:				
Categorical Transportation Aid	5,458,073	-	5,458,073	-
Extraordinary Aid	2,000,000	-	5,719,629	3,719,629
Categorical Special Education Aid	9,865,327	-	9,865,327	-
Equalization Aid	31,863,511	-	31,863,511	-
Categorical Security Aid	2,538,055	-	2,538,055	-
Other State Aids	435,000	-	628,402	193,402
Stabilization Aid	-	-	7,641,573	7,641,573
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	35,342,554	35,342,554
TPAF Social Security (reimbursed)	-	-	6,850,977	6,850,977
TPAF Post Retirements	-	-	8,257,449	8,257,449
TPAF Long-Term Disability Insurance (on behalf)	-	-	9,886	9,886
Total State Sources	52,159,966	-	114,175,436	62,015,470
Federal Sources:				
Medicaid Reimbursement	387,428	-	387,428	67,216
Total Federal Sources	387,428	-	387,428	67,216
Total Revenues	219,265,150	-	219,265,150	63,084,996

**TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Current Expenditures:				
Regular Programs - Instruction:				
Preschool - Salaries of Teachers	-	1,256,950	1,256,950	1,027,656
Kindergarten - Salaries of Teachers	3,136,869	(244,722)	2,892,147	2,886,578
Grades 1-5 - Salaries of Teachers	19,950,199	168,326	20,118,525	20,117,449
Grades 6-8 - Salaries of Teachers	13,721,760	675,521	14,397,281	14,397,276
Grades 9-12 - Salaries of Teachers	19,749,448	296,099	20,045,547	20,045,541
Regular Programs - Home Instruction:				
Salaries of Teachers	25,000	131,849	156,849	156,849
Purchased Professional - Educational Services	75,108	(13,910)	61,198	58,322
Regular Programs - Undistributed Instruction:				
Other Salaries for Instruction	101,224	686,758	787,982	702,471
Purchased Professional - Educational Services	1,688,495	1,763,192	3,451,687	3,292,828
Purchased Technical Services	280,975	52,647	333,622	329,953
Other Purchased Services	1,802,452	(153,786)	1,648,666	1,479,521
General Supplies	1,270,287	226,791	1,497,078	1,070,551
Textbooks	992,366	(753,082)	239,284	39,064
Other Objects	149,040	393,871	542,911	521,713
Total Regular Programs - Instruction	62,943,223	4,486,503	67,429,726	66,125,771
Special Education - Instruction:				
Cognitive - Mild:				
Salaries of Teachers	283,921	16,524	300,445	292,726
Other Salaries for Instruction	401,623	(102,917)	298,706	292,106
Purchased Professional - Educational Services	232,303	(30,518)	201,785	200,184
General Supplies	10,361	(3,776)	6,585	6,344
Total Cognitive - Mild	928,208	(120,686)	807,522	791,360
Special Education - Instruction:				
Cognitive - Moderate:				
Salaries of Teachers	95,645	(536)	95,109	94,505
Other Salaries for Instruction	58,349	(49,403)	8,946	8,946
Purchased Professional - Educational Services	31,738	1,000	32,738	30,138
General Supplies	3,533	(1,920)	1,613	1,020
Textbooks	450	(450)	-	-
Total Cognitive - Moderate	189,715	(51,309)	138,406	134,609
Total	134,609	(134,609)	134,609	134,609

**TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	2,776,606	(116,309)	2,660,297	2,641,853
Other Salaries for Instruction	11-204-100-106	1,508,613	(421,431)	1,087,182	858,295
Purchased Professional - Educational Services	11-204-100-320	886,138	(105,057)	781,081	761,224
General Supplies	11-204-100-610	29,638	(16,672)	12,966	12,730
Textbooks	11-204-100-640	-	525	525	-
Other Objects	11-204-100-800	-	1,450	1,450	-
		5,200,995	(657,494)	4,543,501	4,276,078
Total Learning and/or Language Disabilities					267,423
Special Education - Instruction:					
Auditory Impairments:					
Salaries of Teachers	11-207-100-101	179,481	40,110	219,591	219,590
Other Salaries for Instruction	11-207-100-106	17,429	(16,311)	1,118	918
Purchased Professional - Educational Services	11-207-100-320	29,200	5,068	34,268	20,185
General Supplies	11-207-100-610	6,776	6,268	13,044	12,144
Textbooks	11-207-100-640	1,440	(1,440)	-	-
		235,316	33,695	269,011	253,827
Total Auditory Impairments					15,184
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	11-209-100-101	518,030	33,185	551,215	524,318
Other Salaries for Instruction	11-209-100-106	186,743	(55,680)	131,063	108,607
Purchased Professional - Educational Services	11-209-100-320	154,614	106,571	261,185	239,990
General Supplies	11-209-100-610	12,742	(96)	12,646	12,179
Textbooks	11-209-100-640	547	(450)	97	97
		872,676	83,530	956,206	885,094
Total Behavioral Disabilities					71,112
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	816,474	(6,733)	809,741	763,762
Other Salaries for Instruction	11-212-100-106	808,677	(432,561)	376,116	235,090
Purchased Professional - Educational Services	11-212-100-320	255,041	(34,330)	220,711	218,711
General Supplies	11-212-100-610	21,352	1,517	22,869	18,837
Other Objects	11-212-100-800	450	(450)	-	-
		1,901,994	(472,557)	1,429,437	1,236,400
Total Multiple Disabilities					193,037

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction: Resource Room/Resource Center:				
Salaries of Teachers	8,787,410	-	8,787,410	480,318
Other Salaries	32,869	(32,869)	-	-
Purchased Professional - Educational Services	177,538	-	177,538	17,329
General Supplies	41,347	(7,254)	34,093	1,241
Textbooks	2,700	(2,700)	-	-
Other Objects	-	145	145	-
Total Resource Room/Resource Center	9,041,864	(42,678)	8,999,186	498,888
Special Education - Instruction: Autism:				
Salaries of Teachers	2,046,258	(39,877)	2,006,381	87,752
Other Salaries for Instruction	1,714,830	(276,289)	1,438,541	248,745
Purchased Professional - Educational Services	2,158,037	56,782	2,214,819	73,717
General Supplies	63,937	(8,565)	55,372	3,018
Textbooks	400	(400)	-	-
Total Autism	5,983,462	(268,349)	5,715,113	413,231
Special Education - Instruction: Preschool Disabilities - Part-Time:				
Salaries of Teachers	980,364	(980,364)	-	-
Other Salaries for Instruction	757,613	(757,613)	-	-
Purchased Professional - Educational Services	317,317	(315,975)	1,342	1,342
Other Purchased Services	6,000	(5,835)	165	165
General Supplies	29,546	(16,500)	13,046	13,046
Total Preschool Disabilities - Part-Time	2,090,840	(2,076,287)	14,553	14,553
Special Education - Instruction: Preschool Disabilities - Full-Time:				
Salaries of Teachers	654,078	(12,810)	641,268	61,245
Other Salaries for Instruction	124,028	(58,390)	65,638	13,893
Purchased Professional - Educational Services	67,076	(6,102)	60,974	2,756
Other Purchased Services	-	5,623	5,623	571
General Supplies	1,600	37,816	39,416	491
Total Preschool Disabilities - Full-Time	846,782	(33,863)	812,919	78,956

**TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:				
Home Instruction:				
Salaries of Teachers	25,000	169,685	194,685	-
Purchased Professional - Educational Services	75,081	(69,689)	5,392	-
Total Home Instruction	100,081	99,996	200,077	-
Total Special Education - Instruction	27,391,933	(3,506,003)	23,885,930	1,572,343
Basic Skills/Remedial - Instruction:				
Salaries of Teachers	875,052	-	875,052	58,631
Purchased Professional - Educational Services	200	(200)	-	-
Other Purchased Services	-	112	112	112
General Supplies	6,642	-	6,642	6,429
Textbooks	1,215	-	1,215	1,215
Total Basic Skills/Remedial - Instruction	883,109	(88)	883,021	66,387
Bilingual Education - Instruction:				
Salaries of Teachers	700,069	38,902	738,971	14,478
Other Purchased Services	2,880	-	2,880	2,880
General Supplies	4,050	-	4,050	4,050
Other Objects	2,025	-	2,025	2,025
Total Bilingual Education - Instruction	709,024	38,902	747,926	23,433
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:				
Salaries	580,000	18,839	598,839	731
Purchased Services	59,400	5,099	64,499	16,679
Supplies and Materials	132,859	24,244	157,103	123,017
Other Objects	17,185	24,288	41,473	17,404
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction	789,444	72,469	861,913	157,831
School-Sponsored Athletics - Instruction:				
Salaries	2,279,549	57,365	2,336,914	90,843
Purchased Services	334,697	(3,256)	331,441	48,828
Supplies and Materials	233,031	15,121	248,152	103,578
Other Objects	131,570	(3,874)	127,696	5,753
Total School-Sponsored Athletics - Instruction	2,978,847	65,356	3,044,203	249,002

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Community Service Programs/Operations:				
Salaries	31,336	1,077	32,413	-
Purchase Services (300-500 series)	2,025	-	2,025	2,025
Supplies and Materials	3,402	-	3,402	2,031
Other Objects	810	-	810	810
Total Community Service Programs/Operations	37,573	1,077	38,650	4,866
Undistributed Expenditures - Instruction (Tuition):				
Tuition to Other LEAs Within State - Regular	269,968	(194,622)	75,346	-
Tuition to Other LEAs Within State - Special	493,558	(63,838)	429,720	17,548
Tuition to County Vocational School - Regular	507,000	(19,188)	487,812	-
Tuition to County Special Services & Regular Day Schools	1,977,133	(150,193)	1,826,940	72,812
Tuition to Private School Disabled - Within State	3,959,022	(2,052,700)	1,906,322	62,148
Tuition to Private School Disabled & Other LEAs - Outside	299,225	(18,668)	280,557	11,887
Tuition - State Facilities	79,744	-	79,744	-
Tuition - Other	133,793	31,363	165,156	-
Total Undistributed Expenditures - Instruction (Tuition)	7,719,443	(2,467,846)	5,251,597	164,395
Undistributed Expenditures Attendance and Social Work:				
Other Purchased Services	2,250	(2,250)	-	-
Total Undistributed Expenditures Attendance and Social Work	2,250	(2,250)	-	-
Undistributed Expenditures - Health Services:				
Salaries	2,734,639	(234,647)	2,499,992	4,642
Purchased Professional & Technical Services	1,154,687	(53,486)	1,101,201	97,716
Supplies and Materials	97,493	(44,671)	52,822	13,551
Other Objects	-	19,740	19,740	1
Total Undistributed Expenditures - Health Services	3,986,819	(313,065)	3,673,754	115,910
Undistributed Expenditures - Speech, OT, PT and Related Services:				
Salaries	2,209,389	(134,281)	2,075,108	2,743
Purchased Professional - Educational Services	1,994,712	20,658	2,015,370	19,731
Supplies and Materials	36,586	9,537	46,123	2,022
Other Objects	11,000	(1,450)	9,550	-
Total Undistributed Expenditures - Speech, OT, PT and Related Services	4,251,687	(105,536)	4,146,151	24,496

**TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL
Undistributed Expenditures -				
Other Support Services - Extra Services:				
Salaries	6,020	1,705,851	1,711,871	1,710,195
Purchased Professional - Educational Services	2,500	(2,500)	-	-
Supplies and Materials	-	948	948	948
Other Objects	4,500	(4,500)	-	-
Total Undistributed Expenditures -	13,020	1,699,799	1,712,819	1,710,195
Other Support Services - Extra Services				2,624
Undistributed Expenditures - Guidance:				
Salaries of Other Professional Staff	3,398,254	(93,139)	3,305,115	3,304,428
Salaries of Secretaries & Clerical Assistants	573,443	(73,961)	499,482	499,100
Purchased Professional - Educational Services	900	-	900	900
Other Purchased Services	1,575	-	1,575	1,575
Supplies and Materials	24,545	(3,454)	21,091	10,119
Other Objects	8,343	1,872	10,215	4,923
Total Undistributed Expenditures - Guidance	4,007,060	(168,681)	3,838,379	3,819,425
Total Undistributed Expenditures -				18,954
Undistributed Expenditures - Child Study Teams:				
Salaries of Other Professional Staff	3,441,222	(29,776)	3,411,446	3,410,175
Salaries of Secretaries & Clerical Assistants	485,186	13,934	499,120	498,475
Purchased Professional - Educational Services	273,924	(21,923)	252,001	227,037
Other Purchased Prof. and Tech. Services	63,600	(17,171)	46,429	46,429
Supplies and Materials	57,303	14,281	71,584	51,626
Other Objects	5,537	(490)	5,048	5,038
Total Undistributed Expenditures - Child Study Teams	4,326,772	(41,145)	4,285,627	4,238,781
Total Undistributed Expenditures -				46,846
Undistributed Expenditures - Improvement of Instruction Services:				
Salaries of Supervisors of Instruction	2,561,971	(23,881)	2,538,090	2,538,080
Salaries of Other Professional Staff	85,500	(40,424)	45,076	45,075
Salaries of Sec. and Clerical Assist.	48,942	(18,029)	30,913	30,913
Purchased Professional - Educational Services	9,000	2,126	11,126	10,204
Other Purchased Services	5,400	(5,400)	-	-
Supplies and Materials	8,941	(7,624)	1,317	618
Other Objects	4,050	(2,726)	1,324	643
Total Undistributed Expenditures - Improvement of Instruction Services	2,723,804	(95,958)	2,627,846	2,625,533
Total Undistributed Expenditures -				2,312

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library:				
Salaries	1,095,957	(172,178)	923,779	921,259
Purchased Professional and Technical Services	1,800	(1,800)	-	-
Other Purchased Services	4,500	(3,621)	879	879
Supplies and Materials	113,411	(34,358)	79,053	61,919
				17,134
Total Undistributed Expenditures - Educational Media Services/Library	1,215,668	(211,957)	1,003,711	983,179
Undistributed Expenditures - Instructional Staff Training Services:				
Salaries of Other Professional Staff	27,000	(4,292)	22,708	22,708
Purchased Professional - Educational Services	101,300	(15,394)	85,906	76,277
Supplies and Materials	-	60	60	60
Other Objects	4,050	(1,890)	2,160	1,637
				523
Total Undistributed Expenditures - Instructional Staff Training Services	132,350	(21,516)	110,834	100,681
Undistributed Expenditures - Support Services - General Administration:				
Salaries	1,128,083	(33,151)	1,094,932	1,093,409
Legal Services	405,500	(4,640)	400,860	392,375
Audit Fees	85,000	(5,500)	79,500	79,500
Architectural/Engineering Services	152,539	(64,591)	87,948	26,946
Other Purchased Professional Services	73,950	(15,250)	58,700	29,050
Communications/Telephone	380,950	(18,756)	362,194	346,376
BOE Other Purchased Professional Services	6,750	-	6,750	975
Other Purchased Services	642,877	(242,292)	400,585	390,910
General Supplies	18,349	(6,075)	12,274	5,928
BOE In-House Training/Meeting Supplies	4,072	-	4,072	2,419
Judgements Against School District	30,000	22,979	52,979	52,964
Miscellaneous Expenditures	49,568	(4,900)	44,668	41,857
BOE Membership Dues and Fees	27,000	-	27,000	26,663
				337
Total Undistributed Expenditures - Support Services - General Administration	3,004,638	(372,176)	2,632,462	2,489,372
				143,090

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Support Services - School Administration:				
Salaries of Principals/Assistant Principals	5,383,936	11,776	5,395,712	9
Salaries of Secretaries & Clerical Assistants	2,728,858	31,780	2,760,638	8
Other Purchased Services	1,800	(1,800)	-	-
Supplies and Materials	48,805	(1,717)	47,088	15,579
Other Objects	107,838	3,741	111,579	11,570
Total Undistributed Expenditures -	8,271,237	43,780	8,315,017	27,166
Support Services - School Administration				
Undistributed Expenditures - Central Services:				
Salaries	2,465,951	(9,875)	2,456,076	1,489
Purchased Professional Services	22,539	7,395	29,934	5
Purchased Technical Services	20,250	600	20,850	826
Miscellaneous Purchased Services	56,351	(18,895)	37,456	7,007
Supplies and Materials	74,434	(12,397)	62,037	20,782
Miscellaneous Expenditures	17,667	201	17,868	7,072
Total Undistributed Expenditures - Central Services	2,657,192	(32,971)	2,624,221	37,181
Undistributed Expenditures -				
Administrative Information Technology:				
Salaries	1,181,158	-	1,181,158	559
Purchased Professional Services	30,600	9,376	39,976	1
Purchased Technical Services	241,200	-	241,200	17,577
Other Purchased Services	243,216	(35,000)	208,216	11,570
Supplies and Materials	93,978	(1,375)	92,603	39,423
Other Objects	2,725	-	2,725	16
Total Undistributed Expenditures -	1,792,877	(27,000)	1,765,877	69,144
Administrative Information Technology				
Undistributed Expenditures -				
Required Maintenance for School Facilities:				
Salaries	2,024,279	(121,612)	1,902,667	9,150
Cleaning, Repair & Maintenance Services	425,733	204,731	630,464	124,496
General Supplies	383,815	(35,967)	347,848	34,320
Other Objects	16,329	(6,181)	10,148	-
Total Undistributed Expenditures -	2,850,156	40,971	2,891,127	167,966
Required Maintenance for School Facilities				

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Custodial Services:				
Salaries	5,859,622	(337,647)	5,521,975	69,057
Salaries of Non-Instructional Aides	460,568	(157,225)	303,343	-
Cleaning, Repair & Maintenance Services	538,803	(93,723)	445,080	31,389
Other Purchased Property Services	527,413	700	528,113	22,433
Insurance	1,150,084	2,178,455	3,328,539	46,996
Miscellaneous Purchased Services	6,350	(6,350)	-	-
General Supplies	405,343	(94,703)	310,640	22,559
Energy (Natural Gas)	800,000	524,042	1,324,042	197,052
Energy (Electricity)	2,100,000	149,912	2,249,912	114,944
Other Objects	18,100	8,519	26,619	2,135
Interest - Energy Savings Impr Prog Bonds	627,132	-	627,132	1
Principal - Energy Savings Impr Prog Bonds	385,000	-	385,000	-
Total Undistributed Expenditures - Custodial Services	12,878,415	2,171,981	15,050,396	506,567
Undistributed Expenditures - Care and Upkeep of Grounds:				
Salaries	708,779	(6,247)	702,532	28,468
Cleaning, Repair & Maintenance Services	145,831	(36,979)	108,852	10,317
General Supplies	243,395	324	243,719	23,051
Other Objects	13,100	(8,703)	4,397	-
Total Undistributed Expenditures - Care and Upkeep of Grounds	1,111,105	(51,605)	1,059,500	61,835
Security:				
Salaries	1,104,615	(71,030)	1,033,585	19,309
Purchased Professional and Technical Services	356,476	(68,190)	288,286	72,843
Cleaning, Repair, and Maintenance Services	22,500	(8,000)	14,500	5,285
General Supplies	24,996	(6,764)	18,232	6,588
Other Objects	8,488	-	8,488	7,951
Total Security	1,517,075	(153,983)	1,363,092	111,976

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -				
Student Transportation Services:				
Salaries of Pupil Transportation (Between Home & School)	4,636,182	(357,081)	4,279,101	1
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	2,919,212	207,975	3,127,187	-
Sal for Pupil Trans (Other than Bet. Home & Sch)	250,000	(114,721)	135,279	-
Other Purchased Prof. and Technical Serv.	5,000	(4,337)	663	-
Cleaning, Repair and Maintenance Services	43,395	1,707	45,102	8,206
Lease Purchase Payments - School Buses	1,117,000	(3,721)	1,113,279	-
Contract Services - Aid in Lieu Payments - Non Public Scht	1,827,230	175,353	2,002,583	150,178
Contract Serv. - Aid in Lieu Pymts-Choice Sch	275,000	(241,000)	34,000	4,389
Contract Services (Between Home & School) - Vendors	25,971	348,239	374,210	163,041
Contract Services (Between Home & School) - Joint Agree	11,038	6,881	17,919	695
Contract Services (Special Education) - Vendors	1,797,465	952,957	2,750,422	392,190
Contract Serv.(Sp Ed Sids)-Joint Agrmnts	91,280	64,341	155,621	21,101
Contract Serv.(Spl. Ed. Students)-ESCs & CTAS	-	438,464	438,464	55,120
Contract Services (Special Education) - ESCs & CTAS	539,407	117,325	656,732	91,659
Miscellaneous Purchased Services - Transportation	105,677	191,826	297,503	538
General Supplies	20,532	(14,520)	6,012	9
Transportation Supplies	537,270	(53,283)	483,987	38,457
Miscellaneous Expenditures	1,200,652	27,040	1,227,692	123,635
Total Undistributed Expenditures -	15,402,311	1,743,443	17,145,754	1,049,219
Student Transportation Services			16,096,534	
Unallocated Benefits:				
Social Security Contributions	3,024,875	61,017	3,085,892	183,959
TPAF Contributions - ERIP	90,000	(15,000)	75,000	10,920
Other Retirement Contributions - PERS	4,575,029	(318,495)	4,256,534	12,624
Other Retirement Contrib. - Deferred PERS Pymt	165,431	(9,353)	156,078	-
Workmen's Compensation	1,788,222	213,494	2,001,716	35,227
Health Benefits	40,339,892	203,903	40,543,795	72,563
Tuition Reimbursement	60,000	(10,000)	50,000	4,915
Other Employee Benefits	2,508,461	(1,795,411)	713,051	41,783
Unused Sick Payment to Staff	-	1,540,622	1,540,622	15,755
Total Unallocated Benefits	52,551,910	(129,222)	52,422,688	377,746

TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	35,342,554 (35,342,554)
TPAF Social Security (reimbursed)	-	-	-	6,850,977 (6,850,977)
TPAF Post Retirements	-	-	-	8,257,449 (8,257,449)
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	9,886 (9,886)
Total Undistributed Expenditures	130,415,789	1,505,060	131,920,849	179,423,602 (47,502,754)
Total Expenditures - Current Expenditures	226,148,942	2,663,277	228,812,218	272,937,154 (44,124,937)
Capital Outlay:				
Equipment:				
Grades 1-5	9,000	2,542	11,542	2,542 9,000
Grades 6-8	13,500	-	13,500	- 13,500
Grades 9-12	22,500	-	22,500	- 22,500
Multiple Disabilities	7,000	3,300	10,300	6,292 4,008
Autism	2,000	174	2,174	1 2,173
Preschool/Disabilities - Part-Time	2,000	(2,000)	-	- 8,100
School-Sponsored & Other Instructional Programs	33,880	-	33,880	25,780
Undistributed Expenditures:				
Undist. Expend.-Support Serv.- Students - Reg	14,298	(6,717)	7,581	7,581 -
Undist. Expend.-Support Serv.-Related & Extraord.	-	19,394	19,394	19,394 1
Undist. Expend.-Support Serv. - Inst. Staff	5,400	-	5,400	- 5,400
Undistributed Expenditures - School Admin.	52,642	-	52,642	- 52,642
Central Services	7,200	(2,000)	5,200	- 5,200
Undistributed Expenditures - Admin Info Tech.	9,106	-	9,106	9,106 -
Undist. Expend. - Required Maint for School Fac.	135,543	(18,000)	117,543	- 117,543
Undist. Expend. - Custodial Services	57,017	(22,501)	34,516	7,861 26,656
Undist. Expend. - Care and Upkeep of Grounds	131,633	58,019	189,652	189,652 -
Undist. Expend. - Security	18,000	(15,000)	3,000	2,775 225
Undist. Expend.-Student Trans.-Non-Inst. Equip	22,707	27,251	49,958	40,762 9,197
Total Equipment	543,426	44,464	587,890	313,917 273,972
Facilities Acquisition & Construction Services:				
Construction Services	100,000	-	100,000	- 100,000
Assessment for Debt Service on SDA Funding	371,261	-	371,261	371,261 -
Total Facilities Acquisition & Construction Services	471,261	-	471,261	371,261 100,000

TOMS RIVER REGIONAL SCHOOLS
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Assets Acquired Under Capital Leases (Non-Budgeted):				
Capital Leases (Non-Budgeted)	-	-	2,080,109	(2,080,109)
Total Assets Acquired Under Capital Leases (Non-Budgeted)	-	-	2,080,109	(2,080,109)
Total Capital Outlay	1,014,687	44,464	1,059,151	(1,706,137)
Special Schools:				
Summer School - Instruction				
Salaries of Teachers	40,000	-	40,000	17,990
General Supplies	450	-	450	450
Other Objects	900	-	900	900
Total Summer School - Instruction	41,350	-	41,350	19,340
Total Special Schools	41,350	-	41,350	19,340
Transfer to Charter Schools	277,148.00	-	277,148	57,093
Total Expenditures	227,482,127	2,707,741	230,189,867	(45,754,641)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)	(8,216,977)	(2,707,741)	(10,924,717)	17,330,357
Other Financing Sources/(Uses):				
Capital Leases (Non-Budgeted)	-	-	2,080,109	2,080,109
Total Other Financing Sources/(Uses)	-	-	2,080,109	2,080,109
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(8,216,977)	(2,707,741)	(10,924,717)	19,410,466
Fund Balances, July 1	\$ 51,087,900	-	51,087,900	-
Fund Balances, June 30	\$ 42,870,923	\$ (2,707,741)	\$ 40,163,183	\$ 19,410,466

**TOMS RIVER REGIONAL SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Budgeted Fund Balance	\$ (5,040,000)	\$ -	\$ (5,040,000)	
Adjustment for Prior Year Encumbrances	(2,191,372)	-	(2,191,372)	
PY Extraordinary Aid Budgeted	-	(2,707,740)	(2,707,740)	
Withdrawal Maintenance Reserve	(1,000,000)	-	(1,000,000)	
Interest Eamed on Maintenance Reserve	6,336	-	6,336	
Interest Eamed on Emergency Reserve	715	-	715	
Interest Eamed on Capital Reserve	7,344	-	7,344	
	<u>\$ (8,216,977)</u>	<u>\$ (2,707,740)</u>	<u>\$ (10,924,717)</u>	

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 6,615,889
Capital Reserve (utilized in subsequent year's budget)	8,250,000
Maintenance Reserve	13,847,300
Maintenance Reserve (utilized in subsequent year's budget)	1,000,000
Unemployment Compensation	5,795,084
Emergency Reserve	717,261
Excess Surplus Designated for Subsequent Year's Expenditures	1,272,131
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	2,586,000
Additional Assigned Fund Balance for Subsequent Year's Expenditure	5,192,549
Year-End Encumbrances	2,537,851
Unassigned Fund Balance	11,759,584
Subtotal	59,573,649
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments Not Recognized on GAAP Basis	(4,873,892)
Solar Renewable Energy Credit Revenue Realized on GAAP Basis	220,580
Fund Balance per Governmental Funds (GAAP)	<u>\$ 54,920,337</u>

**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ 410,225	\$ 1,371,874	\$ 1,782,099	\$ 1,557,302	\$ 224,797
State Sources	1,047,228	913,877	1,961,105	1,329,623	631,482
Federal Sources	5,746,835	29,774,930	35,521,765	17,631,929	17,889,836
Total Revenues	7,204,288	32,060,681	39,264,969	20,518,854	18,746,115
Expenditures:					
Instruction:					
Salaries of Teachers	431,220	4,810,319	5,241,539	3,619,442	1,622,097
Other Salaries for Instruction	-	14,316	14,316	13,364	952
Purchased Professional - Educational Services	224,000	450,587	674,587	579,728	94,859
Other Purchased Services (400-500 Series)	-	3,556	3,556	1,359	2,197
General Supplies	2,541,730	1,162,794	3,704,524	2,948,519	756,005
Tuition	3,184,110	11,867,745	15,051,855	4,960,529	10,091,326
Textbooks	78,195	275,816	354,011	351,497	2,514
Other Objects	-	1,445,446	1,445,446	443,928	1,001,518
Total Instruction	6,459,255	20,030,579	26,489,834	12,918,366	13,571,468
Support Services:					
Salaries of Supervisor of Instruction	-	14,393	14,393	14,393	-
Salaries of Teachers	-	1,390,564	1,390,564	358,675	1,031,889
Other Salaries	-	13,882	13,882	13,882	-
Personal Services - Employee Benefits	-	1,387,330	1,387,330	1,190,768	196,562
Purchased Educational Services	745,033	4,356,727	5,101,760	2,716,105	2,385,655
Misc. Purchased Services	-	4,571	4,571	4,071	500
Contracted Services	-	155,989	155,989	149,103	6,886
Supplies and Materials	-	2,205,128	2,205,128	1,149,674	1,055,454
Scholarship	-	100,200	100,200	100,200	-
Student Activities	-	1,174,105	1,174,105	1,174,105	-
Other Objects	-	141,193	141,193	124,575	16,618
Total Support Services	745,033	10,944,082	11,689,115	6,995,551	4,693,564
Facilities Acquisition & Construction Services:					
Construction Services	-	371,813	371,813	371,813	-
Instructional Equipment	-	117,678	117,678	98,622	19,056
Noninstructional Equipment	-	596,529	596,529	56,773	539,756
Total Facilities Acquisition & Construction Services	-	1,086,020	1,086,020	527,208	558,812
Total Expenditures	7,204,288	32,060,681	39,264,969	20,441,125	18,823,844
Total Outflows	7,204,288	32,060,681	39,264,969	20,441,125	18,823,844
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	77,729	\$ 77,729

Fund Balance, July 1 914,966

Fund Balance, June 30 \$ 992,695

Recapitulation
Restricted:

Scholarship: \$ 47,664
Student Activities: 945,031
\$ 992,695

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**TOMS RIVER REGIONAL SCHOOLS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 282,350,146	\$ 20,518,854
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(4,230,681)
Prior Year	-	1,385,202
 The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(4,873,892)	-
Prior Year	5,707,507	-
Adjustment to record the value of Solar Renewable Energy Credits (SREC) income on the modified accrual basis		
Current Year	220,580	-
Prior Year	(151,085)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 283,253,256	\$ 17,673,375
 Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 275,944,506	\$ 20,441,125
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(2,845,479)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 275,944,506	\$ 17,595,646

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

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TOMS RIVER REGIONAL SCHOOLS
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.3512817867%	0.3720763861%	0.3752666393%	0.3739210100%	0.3881503012%	0.4052997399%	0.4045399954%	0.4171099175%	0.4019779833%
School District's proportionate share of the net pension liability	\$ 41,614,594	\$ 60,675,928	\$ 67,617,356	\$ 73,623,183	\$ 90,355,186	\$ 120,038,158	\$ 90,811,122	\$ 78,094,385	\$ 76,825,980
School District's covered payroll	\$ 24,611,858	\$ 25,959,566	\$ 26,887,784	\$ 25,881,978	\$ 26,060,161	\$ 26,829,471	\$ 27,569,910	\$ 27,539,772	\$ 28,464,560
School District's proportionate share of the net pension liability as a percentage of its covered payroll	169.08%	233.73%	251.48%	284.46%	346.72%	447.41%	329.38%	275.78%	N/A
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%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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

TOMS RIVER REGIONAL SCHOOLS
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 4,113,918	\$ 4,070,328	\$ 3,650,239	\$ 3,719,306	\$ 3,595,798	\$ 3,600,625	\$ 3,477,959	\$ 3,584,736	\$ 3,171,680
Contributions in relation to the contractually required contribution	\$ (4,113,918)	\$ (4,070,328)	\$ (3,650,239)	\$ (3,719,306)	\$ (3,595,798)	\$ (3,600,625)	\$ (3,477,959)	\$ (3,584,736)	\$ (3,171,680)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 25,707,647	\$ 24,611,858	\$ 25,959,566	\$ 26,887,784	\$ 25,881,978	\$ 26,060,161	\$ 26,829,471	\$ 27,569,910	\$ 27,539,772
Contributions as a percentage of covered payroll	16.00%	16.54%	14.06%	13.83%	13.89%	13.82%	12.96%	13.00%	11.52%

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

TOMS RIVER REGIONAL SCHOOLS
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST NINE FISCAL YEARS*

	Year Ended June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
State's proportion of the net pension liability (asset) associated with the District - Local group	0.8817892338%	0.8862117436%	0.8923697760%	0.9053263076%	0.9024191711%	0.8971177283%	0.8856836534%	0.8861361810%	0.8733716886%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 423,921,838	\$ 583,559,770	\$ 547,655,754	\$ 575,949,151	\$ 608,443,545	\$ 705,729,925	\$ 559,789,890	\$ 473,610,948	\$ 441,395,182
Total proportionate share of the net pension liability (asset) associated with the District	\$ 423,921,838	\$ 583,559,770	\$ 547,655,754	\$ 575,949,151	\$ 608,443,545	\$ 705,729,925	\$ 559,789,890	\$ 473,610,948	\$ 441,395,182
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%

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

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

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

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

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**TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS***

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 31,224,931	\$ 17,594,077	\$ 17,282,413	\$ 19,789,844	\$ 23,853,635
Interest Cost	18,304,274	17,807,950	22,293,632	23,988,517	20,804,270
Change in Benefit Terms	(751,036)	-	-	-	-
Difference between Expected and Actual Experiences	(130,872,388)	134,863,688	(100,387,281)	(55,595,778)	-
Changes of Assumptions	696,138	146,307,698	7,423,835	(64,965,751)	(85,869,098)
Contributions: Member	467,950	422,643	453,068	523,193	560,794
Gross Benefit Payments	(14,418,641)	(13,944,038)	(15,284,262)	(15,137,998)	(15,229,642)
Net Change in Total OPEB Liability	(95,348,772)	303,052,018	(68,218,595)	(91,397,973)	(55,880,041)
Total OPEB Liability (Beginning)	800,959,069	497,907,051	566,125,646	657,523,619	713,403,660
Total OPEB Liability (Ending)	\$ 705,610,297	\$ 800,959,069	\$ 497,907,051	\$ 566,125,646	\$ 657,523,619
Disicrict's Covered Employee Payroll***	\$ 122,632,258	\$ 129,177,724	\$ 133,987,787	\$ 121,089,422	\$ 98,514,753
Net OPEB Liability as a Percentage of Payroll	575%	620%	372%	348%	667%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**TOMS RIVER REGIONAL SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

The long-term expected rate of return used as of June 30, measurement date is as follows

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%
2019	5.60%	2016	3.22%		

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%	2016	2.85%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	I.D.E.A.						
	Title I	Title I -SIA	Title IIA	Title III	Title IV	Basic	Preschool
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-
Federal Sources	2,568,829	182,384	436,716	74,058	228,162	3,856,730	121,423
Total Revenues	\$ 2,568,829	\$ 182,384	\$ 436,716	\$ 74,058	\$ 228,162	\$ 3,856,730	\$ 121,423
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 1,382,073	\$ -	\$ 239,528	\$ 35,343	\$ 27,458	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional - Educational Services	12,240	-	-	-	94,550	248,791	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-
General Supplies	98,308	-	-	12,343	29,915	71,545	33,924
Tuition	-	-	-	-	-	2,958,978	-
Textbooks	-	-	-	-	-	-	-
Other Objects	3,500	-	-	13,039	25,917	-	-
Total Instruction	1,496,121	-	239,528	60,725	177,840	3,279,314	33,924
Support Services:							
Salaries of Supervisor of Instruction	1,200	-	-	-	13,193	-	-
Salaries of Teachers	14,450	7,501	7,843	1,823	-	89,300	-
Other Salaries	12,807	-	-	-	-	-	-
Personal Services - Employee Benefits	814,247	574	145,217	2,843	2,029	63,603	-
Purchased Educational Services	216,603	168,504	41,723	3,760	18,908	408,356	75,569
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-
Contract Services- Transp (Bet. Home & School)	-	-	-	-	-	-	-
Contract Services- Transp (Special Ed)	-	-	-	-	-	-	-
Supplies and Materials	1,661	5,805	1,815	3,108	6,693	988	11,930
Other Objects	11,740	-	590	1,799	-	-	-
Scholarship	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-
Total Support Services	1,072,708	182,384	197,188	13,333	40,823	562,247	87,499
Facilities Acquisition & Construction Services:							
Construction Services	-	-	-	-	-	-	-
Instructional Equipment	-	-	-	-	9,499	15,169	-
Noninstructional Equipment	-	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	9,499	15,169	-
Total Expenditures	2,568,829	182,384	436,716	74,058	228,162	3,856,730	121,423
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Navy STEM	Perkins	CARES Emergency Relief Fund	CRRSA - ESSER II	ESSER II - Learning Acceleration	ESSER II - Mental Health	EPA Reimbursement Grant
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-	-
Federal Sources	10,925	89,846	287,189	4,483,594	359,330	79,437	40,000
Total Revenues	\$ 10,925	\$ 89,846	\$ 287,189	\$ 4,483,594	\$ 359,330	\$ 79,437	\$ 40,000
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ 396,911	\$ 131,142	\$ -	\$ -
Other Salaries for Instruction	-	10,614	-	-	-	-	-
Purchased Professional - Educational Services	6,800	13,217	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	1,359	-	-	-	-	-
General Supplies	550	20,102	242,035	1,329,848	10,186	-	-
Tuition	-	-	-	2,001,551	-	-	-
Textbooks	-	-	-	-	-	-	-
Other Objects	2,500	15,485	-	223,793	48,965	-	-
Total Instruction	9,850	60,777	242,035	3,952,103	190,293	-	-
Support Services:							
Salaries of Supervisor of Instruction	-	-	-	-	-	-	-
Salaries of Teachers	-	7,505	-	19,747	14,508	-	-
Other Salaries	1,075	-	-	-	-	-	-
Personal Services - Employee Benefits	-	1,386	-	20,784	2,146	-	-
Purchased Educational Services	-	11,808	43,437	242,251	52,269	79,437	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-
Contract Services- Transp (Bet. Home & School)	-	-	-	-	2,112	-	-
Contract Services- Transp (Special Ed)	-	-	-	-	-	-	-
Supplies and Materials	-	-	1,717	248,709	-	-	-
Other Objects	-	8,370	-	-	98,002	-	-
Scholarship	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-
Total Support Services	1,075	29,069	45,154	531,491	169,037	79,437	-
Facilities Acquisition & Construction Services:							
Construction Services	-	-	-	-	-	-	-
Instructional Equipment	-	-	-	-	-	-	-
Noninstructional Equipment	-	-	-	-	-	-	40,000
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-	40,000
Total Expenditures	10,925	89,846	287,189	4,483,594	359,330	79,437	40,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	ARP - ESSER III	ESSER III - Learning Acceleration	ESSER III - Mental Health	ARP - Homeless Children & Youth II	ARP I.D.E.A. Basic	NJ Child Nutrition Fund	Middle Grades Awareness Grant
Revenues:							
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	3,202	68,726
Federal Sources	3,883,029	252,215	29,023	146,991	502,048	-	-
Total Revenues	\$ 3,883,029	\$ 252,215	\$ 29,023	\$ 146,991	\$ 502,048	\$ 3,202	\$ 68,726
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 1,379,553	\$ -	\$ -	\$ -	\$ 15,673	\$ -	\$ 9,970
Other Salaries for Instruction	-	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-
General Supplies	854,225	-	-	-	15,860	-	30,530
Tuition	-	-	-	-	-	-	-
Textbooks	289,249	-	-	-	-	-	-
Other Objects	92,938	-	-	-	-	-	9,789
Total Instruction	2,615,965	-	-	-	31,533	-	50,289
Support Services:							
Salaries of Supervisor of Instruction	-	-	-	-	-	-	-
Salaries of Teachers	17,566	169,266	-	-	-	-	9,166
Other Salaries	-	-	-	-	-	-	-
Personal Services - Employee Benefits	122,298	12,949	-	-	1,199	-	1,464
Purchased Educational Services	197,680	70,000	29,023	-	469,316	-	3,736
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	4,071
Contract Services- Transp (Bet. Home & School)	-	-	-	124,836	-	-	-
Contract Services- Transp (Special Ed)	-	-	-	22,155	-	-	-
Supplies and Materials	858,759	-	-	-	-	3,202	-
Other Objects	-	-	-	-	-	-	-
Scholarship	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-
Total Support Services	1,196,303	252,215	29,023	146,991	470,515	3,202	18,437
Facilities Acquisition & Construction Services:							
Construction Services	-	-	-	-	-	-	-
Instructional Equipment	60,871	-	-	-	-	-	-
Noninstructional Equipment	9,890	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	70,761	-	-	-	-	-	-
Total Expenditures	3,883,029	252,215	29,023	146,991	502,048	3,202	68,726
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	New Jersey Non-Public Aid						Empower Health	SDA Emergent & Capital Maintenance Needs Grant
	Non Public Security Aid	Non Public Ch. 192 Auxiliary	Non Public Textbook	Non Public Technology	Non Public Nursing	Non Public Ch. 193 Handicapped		
Revenues:								
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	192,427	210,942	62,248	44,232	126,336	246,447	3,250	371,813
Federal Sources	-	-	-	-	-	-	-	-
Total Revenues	\$ 192,427	\$ 210,942	\$ 62,248	\$ 44,232	\$ 126,336	\$ 246,447	\$ 3,250	\$ 371,813
Expenditures:								
Instruction:								
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-	-	2,750	-
Purchased Professional - Educational Services	192,427	-	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	-
General Supplies	-	-	-	29,111	-	-	471	-
Tuition	-	-	-	-	-	-	-	-
Textbooks	-	-	62,248	-	-	-	-	-
Other Objects	-	-	-	8,002	-	-	-	-
Total Instruction	192,427	-	62,248	37,113	-	-	3,221	-
Support Services:								
Salaries of Supervisor of Instruction	-	-	-	-	-	-	-	-
Salaries of Teachers	-	-	-	-	-	-	-	-
Other Salaries	-	-	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-	29	-
Purchased Educational Services	-	210,942	-	-	126,336	246,447	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	-	-
Contract Services- Transp (Bet. Home & School)	-	-	-	-	-	-	-	-
Contract Services- Transp (Special Ed)	-	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	-	-	-
Other Objects	-	-	-	2,266	-	-	-	-
Scholarship	-	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-	-
Total Support Services	-	210,942	-	2,266	126,336	246,447	29	-
Facilities Acquisition & Construction Services:								
Construction Services	-	-	-	-	-	-	-	371,813
Instructional Equipment	-	-	-	4,853	-	-	-	-
Noninstructional Equipment	-	-	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	4,853	-	-	-	371,813
Total Expenditures	192,427	210,942	62,248	44,232	126,336	246,447	3,250	371,813
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**TOMS RIVER REGIONAL SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Other Local Projects	Miscellaneous Donations/Grants	Various Local Grants	Scholarship Funds	Student Activities Fund	Class Agency Fund	Totals
Revenues:							
Local Sources	\$ 7,001	\$ 116,372	\$ 81,895	\$ 109,984	\$ 1,234,325	\$ 7,725	\$ 1,557,302
State Sources	-	-	-	-	-	-	1,329,623
Federal Sources	-	-	-	-	-	-	17,631,929
Total Revenues	\$ 7,001	\$ 116,372	\$ 81,895	\$ 109,984	\$ 1,234,325	\$ 7,725	\$ 20,518,854
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ 690	\$ 1,101	\$ -	\$ -	\$ -	\$ 3,619,442
Other Salaries for Instruction	-	-	-	-	-	-	13,364
Purchased Professional - Educational Services	2,350	7,353	2,000	-	-	-	579,728
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	1,359
General Supplies	4,651	91,021	73,894	-	-	-	2,948,519
Tuition	-	-	-	-	-	-	4,960,529
Textbooks	-	-	-	-	-	-	351,497
Other Objects	-	-	-	-	-	-	443,928
Total Instruction	7,001	99,064	76,995	-	-	-	12,918,366
Support Services:							
Salaries of Supervisor of Instruction	-	-	-	-	-	-	14,393
Salaries of Teachers	-	-	-	-	-	-	358,675
Other Salaries	-	-	-	-	-	-	13,882
Personal Services - Employee Benefits	-	-	-	-	-	-	1,190,768
Purchased Educational Services	-	-	-	-	-	-	2,716,105
Other Purchased Services (400-500 Series)	-	-	-	-	-	-	4,071
Contract Services- Transp (Bet. Home & School)	-	-	-	-	-	-	126,948
Contract Services- Transp (Special Ed)	-	-	-	-	-	-	22,155
Supplies and Materials	-	5,287	-	-	-	-	1,149,674
Other Objects	-	1,808	-	-	-	-	124,575
Scholarship	-	-	-	100,200	-	-	100,200
Student Activities	-	-	-	-	1,173,051	1,054	1,174,105
Total Support Services	-	7,095	-	100,200	1,173,051	1,054	6,995,551
Facilities Acquisition & Construction Services:							
Construction Services	-	-	-	-	-	-	371,813
Instructional Equipment	-	3,330	4,900	-	-	-	98,622
Noninstructional Equipment	-	6,883	-	-	-	-	56,773
Total Facilities Acquisition & Construction Services	-	10,213	4,900	-	-	-	527,208
Total Expenditures	7,001	116,372	81,895	100,200	1,173,051	1,054	20,441,125
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	9,784	61,274	6,671	77,729
Fund Balance, July 1	-	-	-	37,880	821,952	55,134	914,966
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 47,664	\$ 883,226	\$ 61,805	\$ 992,695

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F. Capital Projects Fund

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EXHIBIT F-1

TOMS RIVER REGIONAL SCHOOLS
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2022

PROJECT TITLE	ORIGINAL DATE	BUDGETARY APPROPRIATIONS	EXPENDITURES		UNEXPENDED BALANCE 2022
			PRIOR YEAR	CURRENT YEAR	
Energy Savings Program - HVAC Replacement	12/2017	\$ 18,561,299	\$ 15,373,464	\$ 202,746	\$ 2,985,089
Renovations, Alterations and Improvements at Various Schools	6/2019	147,148,000	37,485,943	66,706,408	42,955,649
Security and Generator Upgrades	1/2022	868,170	-	-	868,170
Subtotal - Remaining Project Balance		166,577,469	52,859,407	66,909,154	46,808,908
Total		\$ 166,577,469	\$ 52,859,407	\$ 66,909,154	\$ 46,808,908

Interest Earnings Not Transferred to Debt Service 920,331

\$ 47,729,239

**TOMS RIVER REGIONAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2022**

Revenues and Other Financing Sources:	
State Sources -- Securing Our Children's Future Bond Grant	\$ 868,170
Interest Earned	160,223
	<hr/>
Total Revenues and Other Financing Sources	1,028,393
	<hr/>
Expenditures and Other Financing Uses:	
Architectural/Engineering Services	2,717,192
Construction Services	64,191,962
Transfer of Interest	1,000,000
	<hr/>
Total Expenditures and Other Financing Uses	67,909,154
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(66,880,761)
Fund Balance - Beginning	114,610,000
	<hr/>
Fund Balance - Ending	\$ 47,729,239
	<hr/> <hr/>

**TOMS RIVER REGIONAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Debt Issuance	\$ 16,710,000	\$ -	\$ 16,710,000	\$ 16,710,000
Premium on Debt Issuance	1,301,561	-	1,301,561	-
Interest Earned	534,518	15,220	549,738	-
Total Revenues and Other Financing Sources	18,546,079	15,220	18,561,299	16,710,000
Expenditures and Other Financing Uses:				
Architectural/Engineering Services	3,457,988	-	3,457,988	3,546,812
Construction Services	11,363,642	202,746	11,566,388	13,163,188
Interest	350,975	-	350,975	-
Cost of issuance	121,402	-	121,402	-
Total Expenditures	15,294,007	202,746	15,496,753	16,710,000
Other Financing Sources/(Uses)				
Transfer To Debt Service	(79,457)	-	(79,457)	-
Total Other Financing Sources/(Uses)	(79,457)	-	(79,457)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 3,172,615	\$ (187,526)	\$ 2,985,089	\$ -

Additional Project Information:

<u>Name of Project:</u>	
<u>ENERGY SAVINGS IMPROVEMENT PROGRAM</u>	
DOE Project Number	N/A
Bond Authorization Date	12/2017
Bonds Authorized	\$ 16,710,000
Bonds Issued	\$ 16,710,000
Original Authorized Cost	\$ 16,710,000
Additional Authorized Cost	1,851,299
Revised Authorized Cost	\$ 18,561,299
Percentage Increase over Original Authorized Cost	11.08%
Percentage Completion	83.49%
Original Target Completion Date	6/30/2019
Revised Target Completion Date	7/1/2024

**TOMS RIVER REGIONAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
RENOVATIONS, ALTERATIONS AND IMPROVEMENTS AT VARIOUS SCHOOLS-REFERENDUM
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Debt Issuance	\$ 147,148,000	\$ -	\$ 147,148,000	\$ 147,148,000
Interest Earned	3,125,328	145,003	3,270,331	-
Total Revenues and Other Financing Sources	150,273,328	145,003	150,418,331	147,148,000
Expenditures and Other Financing Uses:				
Architectural/Engineering Services	5,717,698	2,717,192	8,434,890	14,255,221
Construction Services	31,444,083	63,989,216	95,433,299	131,580,939
Cost of issuance	254,622	-	254,622	1,267,000
Miscellaneous	69,540	-	69,540	44,840
Total Expenditures and Other Financing Uses	37,485,943	66,706,408	104,192,351	147,148,000
Other Financing Sources/(Uses):				
Transfer To Debt Service	(1,350,000)	(1,000,000)	(2,350,000)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 111,437,385	\$ (67,561,405)	\$ 43,875,980	\$ -

Additional Project Information:

<u>Name of Project:</u>	
<u>RENOVATIONS, ALTERATIONS AND IMPROVEMENTS AT VARIOUS SCHOOLS-REFERENDUM</u>	
DOE Project Number	N/A
Bond Authorization Date	6/2019
Bonds Authorized	\$ 147,148,000
Bonds Issued	\$ 147,148,000
Original Authorized Cost	\$ 147,148,000
Additional Authorized Cost	-
Revised Authorized Cost	\$ 147,148,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	69.27%
Original Target Completion Date	7/1/2024

**TOMS RIVER REGIONAL SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
SECURITY & GENERATOR UPGRADES
YEAR ENDED JUNE 30, 2022**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - Securing Our Children's Future Bond Grant	\$ -	\$ 868,170	\$ 868,170	\$ 868,170
Total Revenues and Other Financing Sources	-	868,170	868,170	868,170
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 868,170	\$ 868,170	\$ 868,170

Additional Project Information:

<u>Name of Project:</u>	
<u>Security & Generator Upgrades</u>	
Grant Date	1/19/2022
Percentage Completion	0.00%
Target Completion Date	7/1/2024

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H. Fiduciary Fund
Not Applicable

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I. Long-Term Debt

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**TOMS RIVER REGIONAL SCHOOLS
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2022**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2021	RETIRED	BALANCE JUNE 30, 2022
			DATE	AMOUNT				
School Refunding Bonds	4/20/2009	\$ 15,790,000	7/15/2022	1,485,000	4.000%	\$ 2,910,000	\$ 1,425,000	\$ 1,485,000
School Refunding Bonds	12/27/2012	17,635,000	7/15/2022	1,345,000	4.000%	11,930,000	1,285,000	10,645,000
			7/15/2023	1,395,000	4.000%			
			7/15/2024	1,455,000	4.000%			
			7/15/2025	1,515,000	4.000%			
			7/15/2026	1,580,000	4.000%			
			7/15/2027	1,645,000	4.000%			
			7/15/2028	1,710,000	4.000%			
School Refunding Bonds	5/23/2013	20,365,000	7/15/2022	2,760,000	2.870%	14,570,000	2,690,000	11,880,000
			7/15/2023	4,490,000	2.970%			
			7/15/2024	4,630,000	3.120%			
School Energy Savings Program	12/20/2017	16,710,000	12/15/2022	425,000	5.000%	15,005,000	385,000	14,620,000
			12/15/2023	455,000	5.000%			
			12/15/2024	480,000	5.000%			
			12/15/2025	530,000	5.000%			
			12/15/2026	580,000	5.000%			
			12/15/2027	635,000	5.000%			
			12/15/2028	695,000	5.000%			
			12/15/2029	760,000	5.000%			
			12/15/2030	825,000	5.000%			
			12/15/2031	895,000	5.000%			
			12/15/2032	970,000	5.000%			
			12/15/2033	1,050,000	5.000%			
			12/15/2034	1,125,000	5.000%			
			12/15/2035	1,190,000	3.125%			
			12/15/2036	1,260,000	3.250%			
			12/15/2037	1,335,000	3.250%			
			12/15/2038	1,410,000	3.250%			
School Bonds	6/5/2019	147,148,000	7/15/2022	4,700,000	2.000%	142,645,000	4,600,000	138,045,000
			7/15/2023	4,800,000	2.000%			
			7/15/2024	5,000,000	2.000%			
			7/15/2025	5,500,000	2.000%			
			7/15/2026	5,950,000	2.000%			
			7/15/2027	6,300,000	2.000%			
			7/15/2028	6,795,000	2.250%			
			7/15/2029	9,000,000	3.000%			
			7/15/2030	9,000,000	3.000%			
			7/15/2031	9,000,000	3.000%			
			7/15/2032	9,000,000	3.000%			
			7/15/2033	9,000,000	3.000%			
			7/15/2034	9,000,000	3.000%			
			7/15/2035	9,000,000	3.000%			
			7/15/2036	9,000,000	3.000%			
7/15/2037	9,000,000	3.000%						
7/15/2038	9,000,000	3.000%						
7/15/2039	9,000,000	3.000%						
Total						\$ 187,060,000	\$ 10,385,000	\$ 176,675,000

EXHIBIT I-2

TOMS RIVER REGIONAL SCHOOLS
LONG-TERM DEBT
SCHEDULE OF LEASE OBLIGATIONS
YEAR ENDED JUNE 30, 2022

Series	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2021	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2022
TD Equipment - Phone System	\$ 875,000	\$ 90,533	\$ -	\$ 90,533	\$ -
TD Equipment - School Buses and Technology	2,080,000	431,415	-	431,415	-
TD Equipment - School Buses and Technology	2,130,000	880,728	-	434,098	446,630
TD Equipment - School Buses	800,000	486,503	-	158,762	327,741
TD Equipment - Technology	850,000	519,123	-	168,753	350,370
TD Equipment - School Buses	1,290,000	1,035,749	-	252,578	783,171
TD Equipment - Technology	2,030,000	2,023,659	-	395,450	1,628,209
TD Equipment - Technology	700,000	-	693,370	-	693,370
TD Equipment - School Buses	1,400,000	-	1,386,739	-	1,386,739
	\$ 5,467,710	\$ 2,080,109	\$ 1,931,589	\$ 5,616,230	

**TOMS RIVER REGIONAL SCHOOLS
LONG-TERM DEBT
SCHEDULE OF NOTES PAYABLE
YEAR ENDED JUNE 30, 2022**

Series	INTEREST RATE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2021	RETIRE	AMOUNT OUTSTANDING JUNE 30, 2022
CREBS - November 19, 2008	1.15%	\$ 2,742,510	\$ 365,668	\$ 182,834	\$ 182,834
			<u>\$ 365,668</u>	<u>\$ 182,834</u>	<u>\$ 182,834</u>

**TOMS RIVER REGIONAL SCHOOLS
LONG-TERM DEBT
SCHEDULE OF PENSION OBLIGATION
YEAR ENDED JUNE 30, 2022**

Series	INTEREST RATE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2021	RETIRE	AMOUNT OUTSTANDING JUNE 30, 2022
Pension Obligation	8.25%	\$ 958,051	\$ 511,979	\$ 109,734	\$ 402,245
			<u>\$ 511,979</u>	<u>\$ 109,734</u>	<u>\$ 402,245</u>

**TOMS RIVER REGIONAL SCHOOLS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022		VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	
Revenues:			
Local Sources:			
Local Tax Levy	\$ 10,879,023	\$ 10,879,023	\$ -
State Sources:			
Debt Service Aid Type II	3,051,603	3,051,603	-
Total Revenues	13,930,626	13,930,626	-
Expenditures:			
Regular Debt Service:			
Interest	4,355,551	4,355,551	-
Interest on Early Retirement Bonds	392,525	392,525	1
Redemption of Principal	10,182,834	10,182,834	-
Total Regular Debt Service	14,930,910	14,930,910	1
Total Expenditures	14,930,910	14,930,910	1
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)	(1,000,284)	(1,000,284)	1
Other Financing Sources/(Uses):			
Transfers In/(Out):			
Transfer from Other Funds	1,000,000	1,000,000	-
Total Other Financing Sources/(Uses)	1,000,000	1,000,000	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(284)	(284)	1
Fund Balance, July 1,	702	702	-
Fund Balance, June 30,	\$ 418	\$ 418	\$ 1

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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TOMS RIVER REGIONAL SCHOOLS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 108,987,192	\$ 105,071,092	\$ 102,032,801	\$ 102,262,904	\$ 99,813,914	\$ 100,138,595	\$ 104,334,891	\$ 105,202,765	\$ 107,466,300	\$ 106,170,502
Restricted	86,220,018	149,954,734	164,006,864	15,735,546	15,420,155	14,975,296	14,493,814	12,842,765	9,390,291	5,988,584
Unrestricted (Deficit)	(131,309,432)	(218,895,903)	(253,914,937)	(118,290,116)	(117,937,802)	(114,932,226)	(111,724,008)	(106,964,540)	(29,043,889)	(18,654,892)
Total Governmental Activities	\$ 63,897,778	\$ 36,129,923	\$ 12,124,728	\$ (291,666)	\$ (2,703,733)	\$ 181,665	\$ 7,104,697	\$ 11,080,990	\$ 87,812,702	\$ 93,504,194
Business-Type Activities:										
Net Investment in Capital Assets	\$ 11,840,610	\$ 11,903,130	\$ 11,224,529	\$ 9,150,912	\$ 8,997,956	\$ 8,810,878	\$ 9,079,296	\$ 9,333,216	\$ 9,451,339	\$ 9,782,088
Unrestricted (Deficit)	5,178,247	2,101,261	1,827,031	2,278,274	2,396,522	2,558,382	2,092,765	1,674,628	2,320,105	2,245,021
Total Business-Type Activities	\$ 17,018,857	\$ 14,004,391	\$ 13,051,560	\$ 11,429,186	\$ 11,394,478	\$ 11,369,260	\$ 11,172,061	\$ 11,007,844	\$ 11,771,444	\$ 12,027,109
District-Wide:										
Net Investment in Capital Assets	\$ 120,827,802	\$ 116,974,222	\$ 113,257,330	\$ 111,413,816	\$ 108,811,870	\$ 108,949,473	\$ 113,414,187	\$ 114,535,981	\$ 116,917,639	\$ 115,952,590
Restricted	86,220,018	149,954,734	164,006,864	15,735,546	15,420,155	14,975,296	14,493,814	12,842,765	9,390,291	5,988,584
Unrestricted (Deficit)	(126,131,185)	(216,794,642)	(252,087,906)	(116,011,842)	(115,541,280)	(112,373,844)	(109,631,243)	(105,289,912)	(26,723,784)	(16,409,871)
Total District Net Position	\$ 80,916,635	\$ 50,134,314	\$ 25,176,288	\$ 11,137,520	\$ 8,690,745	\$ 11,550,925	\$ 18,276,758	\$ 22,088,834	\$ 99,584,146	\$ 105,531,303

*For the year ended June 30, 2022, net position was reclassified due to GASB 87
Source: ACFR Schedule A-1

TOMS RIVER REGIONAL SCHOOLS
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities:										
Instruction:										
Instruction	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Regular	133,338,057	145,174,999	127,304,015	187,991,794	211,887,951	195,622,192	178,305,712	139,814,483	123,114,654	121,909,028
Special Education	38,510,350	46,492,633	40,464,371	-	-	-	-	23,825,273	16,319,752	15,511,096
Other Special Education	8,757,399	8,893,068	8,683,070	-	-	-	-	1,648,562	1,383,970	1,453,892
Vocational	-	-	-	-	-	-	-	-	-	-
School Sponsored/Other Instructional	-	-	-	-	-	-	-	2,985,155	2,806,100	3,730,381
Adult Continuing Education Programs	-	-	-	-	-	-	-	-	-	17,637
Support Services:										
Attendance & Social Work Services	-	-	-	338,261	387,746	350,317	314,030	-	-	-
Health Services	-	-	-	5,830,467	6,397,628	5,703,878	5,215,940	-	-	-
Other Support Services	39,315,218	43,560,519	36,354,254	22,248,107	24,918,381	22,887,331	20,445,313	19,794,456	20,844,273	21,193,367
Improvement of Instruction	-	-	-	5,371,959	6,011,197	5,888,044	5,289,591	-	-	-
School Library	-	-	-	3,371,009	3,604,595	3,604,595	3,352,594	-	-	-
Instructional Staff Training	-	-	-	165,694	220,608	201,790	253,156	-	-	-
General Administration	3,097,900	3,633,560	4,105,889	4,572,965	4,916,786	5,409,665	4,493,013	3,712,059	2,519,575	2,238,220
School Administrative Services	10,313,824	13,247,500	12,398,672	15,191,567	17,792,269	16,066,720	14,292,348	12,988,419	11,725,998	10,032,174
Central services	1,833,172	3,635,550	2,917,759	4,530,390	5,034,316	4,381,223	3,867,552	-	-	-
Administrative Information Technology	2,138,891	2,650,065	2,312,765	2,592,579	2,861,286	2,809,911	3,278,731	-	-	-
Required maintenance	-	-	-	6,750,324	7,377,341	7,102,550	5,388,557	-	-	-
Operation of plant	20,664,620	21,987,224	22,183,402	18,819,220	20,591,699	18,352,517	17,812,538	-	-	-
Security	20,031,338	18,034,607	17,716,354	2,440,321	2,429,200	2,298,268	2,088,660	-	-	-
Tuition	-	-	-	20,892,281	22,514,118	20,142,043	18,731,552	16,255,165	17,617,143	11,695,418
Student & Instruction Related Services	-	-	-	-	-	-	-	4,328,874	4,124,211	3,148,205
Plant Operations & Maintenance	-	-	-	-	-	-	-	10,560,935	12,342,624	19,031,847
Charter Schools	220,055	129,738	73,380	63,870	70,589	65,624	-	28,494,762	24,909,297	17,129,935
Cost of Issuance	-	-	-	-	-	-	-	42,164	43,489	31,000
Interest on Long-Term Debt	5,198,960	7,147,628	1,427,227	1,248,938	2,819,562	1,590,563	2,205,859	2,394,907	2,672,509	2,544,895
Unallocated Depreciation	-	-	-	-	-	-	-	-	-	8,666,231
Unallocated Amortization	-	-	-	-	-	-	-	-	-	9,255
Total Governmental Activities	283,419,782	314,587,091	275,941,157	302,419,746	340,243,462	312,512,872	285,335,146	266,845,214	240,423,595	238,342,581
Expenses										
Business-Type Activities:										
Food Service	4,788,268	3,543,334	3,923,299	4,200,539	4,294,142	4,344,472	4,637,749	4,637,519	5,187,151	5,469,971
Corporate Center	917,736	913,946	892,915	1,016,290	916,866	829,536	850,433	907,582	749,028	799,006
Day Care Center	212,925	205,160	430,673	738,818	738,499	708,731	808,082	862,347	827,779	747,396
Bennett Complex	556,289	221,193	360,658	312,778	361,086	342,781	328,542	680,839	317,332	278,982
RWJ Barnabas Health Arena	354,193	191,616	381,059	573,832	410,859	381,959	403,707	693,480	287,525	217,684
Total Business-Type Activities	6,829,411	5,075,249	5,988,604	6,842,257	6,721,452	6,605,479	7,028,513	7,781,767	7,368,815	7,513,039
Expense										
Total District Expenses	\$ 290,249,193	\$ 319,662,340	\$ 281,929,761	\$ 309,262,003	\$ 346,964,914	\$ 319,118,351	\$ 292,363,659	\$ 274,626,981	\$ 247,792,410	\$ 245,855,620
Program Revenues:										
Operating Grants & Contributions	\$ 96,600,455	\$ 86,372,653	\$ 48,744,083	\$ 8,380,207	\$ 7,889,330	\$ 7,941,100	\$ 7,468,573	\$ 6,997,929	\$ 6,909,414	\$ 8,445,687
Charges for services	-	-	-	1,348,580	1,401,745	1,524,208	1,228,039	1,109,587	1,375,757	1,325,068
Capital Grants & Contributions	-	-	-	331,703	241,092	78,082	15,089	10,324	33,279	-
Total Governmental Activities	96,600,455	86,372,653	48,744,083	10,060,490	9,532,167	9,543,390	8,711,701	8,117,840	8,318,450	9,770,755
Program Revenues										
Business-Type Activities:										

TOMS RIVER REGIONAL SCHOOLS
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Charges for Services:										
Food Service	349,283	17,924	1,306,428	2,011,197	2,006,216	2,165,766	2,247,791	2,435,298	2,636,196	2,872,395
Corporate Center	815,253	979,018	897,073	950,902	933,800	891,265	1,094,318	1,036,502	1,022,375	763,881
Day Care Center	311,236	139,199	460,393	738,679	749,195	687,233	695,707	785,564	839,809	745,589
Bennett Complex	633,948	85,971	335,669	385,749	410,492	451,357	446,380	379,110	388,887	336,464
RWJ Barnabas Health Arena	213,860	24,020	361,771	506,483	536,481	406,743	405,540	313,868	390,492	303,249
Operating Grants & Contributions	7,184,240	3,889,989	2,106,314	2,394,956	2,217,811	2,311,619	2,414,690	2,022,935	1,986,596	2,022,890
Total Business-Type Activities	9,507,820	5,136,121	5,467,648	6,987,966	6,853,995	6,913,983	7,304,426	6,973,277	7,264,355	7,044,468
Program Revenues										
Total District Program Revenues	\$ 106,108,275	\$ 91,508,774	\$ 54,211,731	\$ 17,048,456	\$ 16,386,162	\$ 16,457,373	\$ 16,016,127	\$ 15,091,117	\$ 15,582,805	\$ 16,815,223
Net (Expense)/Revenue:										
Governmental Activities	\$ (186,819,327)	\$ (228,214,438)	\$ (227,197,074)	\$ (292,359,256)	\$ (330,711,295)	\$ (302,969,482)	\$ (276,623,445)	\$ (258,727,374)	\$ (232,105,145)	\$ (228,571,826)
Business-Type Activities	2,678,409	60,872	(520,956)	145,709	132,543	308,504	275,913	(818,490)	(104,460)	(468,571)
Total District-Wide Net Expense	\$ (184,140,918)	\$ (228,153,566)	\$ (227,718,030)	\$ (292,213,547)	\$ (330,578,752)	\$ (302,660,978)	\$ (276,347,532)	\$ (259,545,864)	\$ (232,209,605)	\$ (229,040,397)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 164,845,442	\$ 161,613,178	\$ 158,444,292	\$ 155,329,013	\$ 151,916,716	\$ 144,911,347	\$ 137,569,066	\$ 132,197,482	\$ 118,518,706	\$ 132,719,175
Taxes Levied for Debt Service	10,879,023	11,756,096	6,072,211	5,979,032	5,612,753	5,697,674	6,002,643	6,151,510	6,230,678	6,406,267
Unrestricted Grants & Contributions	35,413,397	69,621,351	72,650,782	131,218,181	168,480,782	138,865,669	126,812,212	118,915,604	98,565,195	85,456,375
Investment Earnings	160,223	707,161	2,559,873	466,884	161,918	28,209	4,788	2,341	1,268	5,445
Miscellaneous Income	4,296,153	2,669,988	2,542,628	1,657,116	1,537,832	1,065,489	1,246,460	852,447	665,152	3,477,887
Transfers	(218,630)	112,280	112,280	112,280	108,280	112,280	112,280	112,280	152,280	587,084
FEMA Reimbursement	-	-	-	-	-	-	-	-	-	165,674
Total Governmental Activities	215,375,608	246,480,054	242,382,066	294,762,506	327,818,281	290,680,668	271,747,449	258,231,666	224,133,279	228,817,907
Special Item	-	-	-	-	-	5,000,000	-	-	-	-
Extraordinary Item	-	(1,003,912)	(2,768,598)	8,817	7,616	565,782	899,703	589,976	2,280,374	-
Business-Type Activities:										
Investment Earnings	83	327	837	1,279	955	975	584	626	1,075	1,325
FEMA Reimbursement	-	-	-	-	-	-	-	73,900	-	-
Miscellaneous Income	36,189	-	-	-	-	-	-	82,646	-	-
Donation of Capital Assets	-	1,003,912	2,254,773	-	-	-	-	-	-	-
Transfers	299,785	(112,280)	(112,280)	(112,280)	(108,280)	(112,280)	(112,280)	(112,282)	(152,280)	(587,084)
Total Business-Type Activities	336,057	891,959	2,143,330	(111,001)	(107,325)	(111,305)	(111,696)	44,890	(151,205)	(585,759)
Total District-Wide	\$ 215,711,665	\$ 246,368,101	\$ 244,525,396	\$ 294,651,505	\$ 327,710,956	\$ 290,569,363	\$ 271,635,753	\$ 258,276,556	\$ 223,982,074	\$ 228,232,148
Change in Net Position:										
Governmental Activities	\$ 28,556,281	\$ 17,261,704	\$ 12,416,394	\$ 2,412,067	\$ (2,885,398)	\$ (6,923,032)	\$ (3,976,293)	\$ 94,268	\$ (5,691,492)	\$ 246,081
Business-Type Activities	3,014,466	952,831	1,622,374	34,708	25,218	197,199	164,217	(763,600)	(255,665)	(1,054,330)
Total District	\$ 31,570,747	\$ 18,214,535	\$ 14,038,768	\$ 2,446,775	\$ (2,860,180)	\$ (6,725,833)	\$ (3,812,076)	\$ (669,332)	\$ (5,947,157)	\$ (808,249)

Source: ACFR Schedule A-2

TOMS RIVER REGIONAL SCHOOLS
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 37,497,665	\$ 34,429,066	\$ 24,179,940	\$ 14,790,449	\$ 15,276,841	\$ 14,975,296	\$ 14,493,814	\$ 12,842,765	\$ 9,390,561	\$ 5,887,107
Assigned	10,316,400	4,987,342	5,549,486	4,728,690	3,147,905	2,018,170	1,092,087	1,916,077	1,110,444	2,396,538
Unassigned	7,106,272	6,115,070	-	-	-	-	-	-	-	474,200
Total General Fund	\$ 54,920,337	\$ 45,531,478	\$ 29,729,426	\$ 19,519,139	\$ 18,424,746	\$ 16,993,466	\$ 15,585,901	\$ 14,758,842	\$ 10,501,005	\$ 8,757,845
All Other Governmental Funds:										
Restricted										
Capital Projects Fund	\$ 47,729,239	\$ 114,610,000	\$ 139,826,345	\$ 12,106,587	\$ 16,853,314	\$ -	\$ -	\$ -	\$ -	\$ 1,108
Special Revenue Fund	992,695	914,966	-	-	-	-	-	-	-	-
Debt Service Fund	419	702	579	295	84,167	84,208	49	157,002	165,684	100,369
Total All Other Governmental Funds	\$ 48,722,353	\$ 115,525,668	\$ 139,826,924	\$ 12,106,882	\$ 16,937,481	\$ 84,208	\$ 49	\$ 157,002	\$ 165,684	\$ 101,477

Source: ACFR Schedule B-1

TOMIS RIVER REGIONAL SCHOOLS
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Tax Levy	\$ 175,724,465	\$ 173,369,274	\$ 164,516,303	\$ 161,308,045	\$ 157,529,469	\$ 150,609,021	\$ 143,571,709	\$ 138,348,992	\$ 124,749,384	\$ 139,125,442
Other Local Revenue	4,677,821	3,640,999	5,413,749	3,878,945	3,468,772	2,978,380	2,620,178	2,150,232	2,523,642	3,487,656
State Sources	118,928,824	107,945,104	100,796,554	101,943,502	99,676,989	95,495,409	92,004,137	88,717,248	85,733,921	87,060,718
Federal Revenue	454,644	363,004	447,356	467,995	309,882	494,916	7,810,536	9,501,970	12,831,274	353,171
Sub Total	299,785,754	285,318,381	271,174,162	267,598,487	260,985,112	249,577,726	246,006,560	238,718,442	225,838,221	230,026,987
Special Revenue:										
Federal	15,134,442	12,169,720	7,756,373	7,377,414	6,944,604	6,802,961	6,534,583	6,120,186	6,162,773	6,849,177
State	965,454	750,207	761,563	928,131	822,541	830,725	808,188	702,210	596,876	964,064
Total Revenues	315,885,650	298,238,308	279,692,098	275,904,032	268,752,257	257,211,412	253,349,331	245,540,838	232,597,870	237,840,228
Expenditures										
Instruction:										
Regular Instruction	77,258,457	73,200,435	71,271,047	107,265,778	98,261,574	98,785,657	96,460,261	67,749,842	71,424,029	69,909,028
Special Education Instructor	22,313,587	23,442,610	22,653,945	-	-	-	-	13,449,986	16,319,752	15,511,096
Other Instruction	5,074,194	4,484,081	4,861,210	-	-	-	-	11,379,122	1,383,970	1,453,892
Vocational	-	-	-	-	-	-	-	-	-	-
School Sponsored/Other Instructiona	-	-	-	-	-	-	-	3,638,816	2,806,100	3,730,381
Adult/Continuing Education Program:	-	-	-	-	-	-	-	-	-	1,7637
Support Services:										
Tuition	5,087,202	7,553,746	6,640,948	5,795,734	5,941,454	5,135,651	3,944,585	4,275,708	4,124,211	3,148,205
Student & Instruction Related Service:	27,504,325	22,971,557	20,642,484	15,798,630	21,074,301	20,580,310	19,578,812	16,833,119	18,128,663	19,031,847
General Administration	2,489,372	2,318,740	2,852,451	3,217,540	3,209,748	3,877,107	3,229,855	2,846,459	2,300,496	2,238,220
School Administrative Service:	8,287,851	8,261,695	8,199,601	7,874,539	7,900,213	7,730,391	7,504,228	10,912,587	10,720,294	10,076,204
Central Services	2,587,039	2,606,596	2,474,552	2,384,163	2,271,270	2,146,758	2,074,046	-	-	-
Information Technology	1,696,733	1,667,156	1,606,729	1,557,430	1,494,232	1,551,109	1,609,660	-	-	-
Plant Operations & Maintenance	19,515,771	16,175,560	17,146,858	17,207,670	16,612,888	16,450,307	16,273,944	17,289,882	17,275,268	17,348,622
Student Transportation	16,096,534	11,508,701	12,307,941	13,097,483	12,381,904	11,575,212	11,271,722	11,551,517	12,552,552	11,695,418
Unallocated Benefits	102,505,807	97,147,978	89,082,464	89,958,174	87,985,238	80,117,455	80,832,203	73,918,744	71,706,026	75,107,138
Charter Schools	220,055	129,738	30,024	-	-	-	-	-	-	-
Special Schools	22,010	23,970	30,120	37,506	31,795	32,276	31,169	26,635	27,538	31,000
Capital Project Fund	-	-	-	-	-	-	-	-	-	113,004
Debt Service:										
Debt Service payment-principa	10,182,834	9,810,539	5,172,834	7,210,938	6,812,156	6,455,314	6,511,486	6,519,548	6,537,969	6,765,667
Debt Service payment-interest	5,119,336	7,348,231	1,621,491	1,483,096	2,037,444	-	-	-	-	-
Cost of Issuance	-	-	-	-	121,402	-	-	-	-	-
Capital Outlay:										
Equipment	2,509,753	26,965,949	23,717,350	7,443,706	4,120,910	2,636,870	1,471,730	2,301,535	2,325,038	921,527
Facilities Acquisition & Constructor	66,909,154	-	-	1,284,502	1,184,205	1,387,668	2,597,507	1,362,825	1,518,998	602,484
Total Expenditures	375,380,215	315,623,282	290,312,049	281,616,889	271,440,734	258,462,085	253,691,208	244,056,325	239,150,904	237,701,370
(Deficiency) Excess of Revenue (Under) Over Expenditures	(59,494,565)	(17,384,974)	(10,619,951)	(5,712,857)	(2,688,477)	(1,250,673)	(341,877)	1,484,513	(6,553,034)	138,858
Other Financing Sources/(Uses):										
Transfers Out	-	-	-	-	(539,367)	(455,910)	-	-	(22)	(4,324)
Transfers In	-	112,280	112,280	112,280	647,647	568,190	112,280	112,282	152,302	587,084
Proceeds from Community Disaster Loan	-	-	-	-	-	-	-	411,148	4,588,852	-
Refunding bonds issued	-	-	-	-	-	6,055,000	-	-	-	-
Payment to bond refunding escrow agen	-	-	-	-	-	(6,022,525)	-	-	-	-
Proceeds funded by Community Development	-	-	-	-	-	-	-	-	-	-
Bonds Grant	-	-	-	-	-	25,022	-	-	-	-
Bonds issued	-	-	147,148,000	-	16,710,000	-	-	-	-	-
Premium on bonds issued	-	-	1,301,561	-	2,301,561	-	-	-	-	-
Capital Leases (Non-budgeted)	2,080,109	2,030,000	1,290,000	1,855,554	2,845,573	2,206,838	-	1,651,236	1,338,895	426,450
Total Other Financing Sources/(Uses)	2,080,109	2,142,280	148,550,280	1,967,834	20,965,414	2,376,615	112,280	2,174,666	6,080,027	1,009,210
Extraordinary Item	-	-	-	8,817	7,616	365,782	899,703	589,976	2,280,374	-
Net Change in Fund Balances	(57,414,456)	(15,242,694)	(3,730,206)	(3,736,206)	18,284,553	1,491,724	670,106	4,249,155	1,807,567	1,148,066
Debt Service as a Percentage of Noncapital Expenditures	5.00%	5.94%	2.55%	3.19%	3.37%	2.56%	2.63%	2.74%	2.81%	2.93%

Source: ACFR Schedule B-2

TOMIS RIVER REGIONAL SCHOOLS
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	PRIOR YEAR REFUNDS	RATE	RENTAL INCOME	TRANSPORTATION	SALE OF			TOTAL
							ENERGY CREDITS	MISCELLANEOUS		
2022	\$ 14,394	\$ 1,242,007	\$ -	\$ -	\$ 274,881	\$ 86,942	\$ 220,580	\$ 1,105,317	\$ -	\$ 2,944,120
2021	20,917	973,100	-	-	134,615	9,234	151,085	728,350	-	2,017,301
2020	28,255	1,166,238	-	-	110,225	48,190	102,593	1,087,127	-	2,542,628
2019	153,529	1,274,688	-	-	126,355	73,892	448,539	1,082,222	-	3,159,225
2018	82,461	1,242,546	-	-	119,921	159,199	376,611	1,041,300	-	3,022,038
2017	28,209	1,457,109	-	225,000	127,076	67,099	365,735	319,490	-	2,589,718
2016	4,788	1,143,509	-	602,780	145,635	84,530	485,024	12,974	-	2,479,240
2015	2,341	1,031,474	265	300,000	128,231	78,113	229,013	185,477	-	1,954,914
2014	1,246	1,292,661	11,316	-	140,966	83,096	460,199	338,241	-	2,327,725
2013	5,437	1,325,068	-	-	165,676	121,638	-	1,231,420	-	2,849,239
2012	-	1,416,542	-	-	164,538	149,326	-	1,764,000	-	3,494,406

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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TOMS RIVER REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
Unaudited

YEAR ENDED DECEMBER 31, BOROUGH OF BEACHWOOD	ESTIMATED NET ASSESSED/TAXABLE VALUATIONS
2022	\$ 817,782,400
2021	815,358,800
2020	812,362,800
2019	809,524,500
2018	808,928,748
2017	807,205,944
2016	803,231,600
2015	1,002,554,600
2014	1,004,086,500
2013	1,010,656,000
TOWNSHIP OF TOMS RIVER	
2022	\$ 13,027,020,724
2021	12,932,894,861
2020	12,938,275,698
2019	12,900,040,060
2018	12,840,826,260
2017	12,672,646,060
2016	12,524,602,960
2015	12,460,318,018
2014	11,389,473,485
2013	16,353,737,465
BOROUGH OF PINE BEACH	
2022	\$ 265,509,666
2021	250,537,901
2020	250,499,400
2019	248,787,500
2018	246,829,467
2017	247,433,325
2016	246,598,826
2015	245,057,300
2014	244,468,238
2013	244,264,100
BOROUGH OF SOUTH TOMS RIVER	
2022	\$ 229,135,100
2021	227,980,258
2020	226,763,016
2019	226,380,338
2018	222,375,581
2017	220,876,359
2016	220,503,621
2015	271,377,300
2014	277,255,530
2013	277,442,693

Source: Municipal Tax Offices. Beginning with 2010, net taxable values were used from the abstract of ratables for Ocean County

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

ASSESSMENT YEAR	SCHOOL DISTRICT	BOROUGH / TOWNSHIP	OCEAN COUNTY & OTHER	TOTAL
BOROUGH OF BEACHWOOD				
2022	1.158	1.008	0.480	2.646
2021	1.118	0.992	0.456	2.566
2020	1.111	0.958	0.462	2.531
2019	1.061	0.897	0.457	2.415
2018	1.047	0.897	0.451	2.395
2017	1.027	0.873	0.451	2.351
2016	1.033	0.865	0.434	2.332
2015	0.796	0.673	0.362	1.831
2014	0.756	0.674	0.353	1.783
2013	0.741	0.673	0.354	1.768
TOWNSHIP OF TOMS RIVER				
2022	1.238	0.691	0.507	2.436
2021	1.230	0.691	0.505	2.426
2020	1.166	0.654	0.499	2.319
2019	1.145	0.650	0.493	2.288
2018	1.123	0.649	0.497	2.269
2017	1.083	0.648	0.481	2.212
2016	1.044	0.612	0.471	2.127
2015	1.014	0.584	0.430	2.028
2014	0.992	0.544	0.431	1.967
2013	0.778	0.412	0.348	1.538
BOROUGH OF PINE BEACH				
2022				
2021	1.191	0.887	0.484	2.562
2020	1.160	0.858	0.490	2.500
2019	1.106	0.832	0.480	2.418
2018	1.090	0.810	0.470	2.370
2017	1.050	0.780	0.460	2.290
2016	1.033	0.740	0.457	2.230
2015	1.003	0.693	0.469	2.165
2014	0.963	0.660	0.456	2.079
2013	0.937	0.650	0.421	2.008
BOROUGH OF SOUTH TOMS RIVER				
2022	1.023	1.642	0.424	3.089
2021	1.022	1.617	0.424	3.063
2020	1.007	1.557	0.421	2.985
2019	0.974	1.544	0.438	2.956
2018	0.956	1.529	0.418	2.903
2017	0.958	1.485	0.420	2.863
2016	0.950	1.430	0.414	2.794
2015	0.751	1.089	0.343	2.183
2014	0.710	1.050	0.341	2.101
2013	0.702	1.009	0.325	2.036

Source: Starting with 2010, Ocean County Board of Taxation, breakdown of tax rates

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**
Unaudited

TAXPAYER	2022			TAXPAYER	2013		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL NET ASSESSED VALUE		TAXABLE ASSESSED VALUE	RANK	% OF TOTAL NET ASSESSED VALUE
<u>BEACHWOOD</u>	NOT AVAILABLE				NOT AVAILABLE		
<u>TOMS RIVER</u>	NOT AVAILABLE				NOT AVAILABLE		
<u>SOUTH TOMS RIVER</u>	NOT AVAILABLE				NOT AVAILABLE		
<u>PINE BEACH TOP</u>	NOT AVAILABLE				NOT AVAILABLE		

Source: Township tax office

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Unaudited

CALENDAR YEAR ENDED DECEMBER 31,	TOTAL TAX LEVY	AMOUNT	PERCENTAGE OF LEVY
Borough of Beachwood			
2022	N/A	N/A	N/A
2021	N/A	N/A	N/A
2020	20,670,685	20,244,977	97.80%
2019	19,616,759	19,237,871	98.06%
2018	19,437,044	19,004,711	97.77%
2017	19,022,154	18,742,223	95.53%
2016	18,733,655	18,385,739	97.62%
2015	18,388,302	17,860,771	97.13%
2014	17,953,574	17,378,788	96.79%
2013	17,906,306	17,293,794	96.57%
Township of Toms River			
2022	N/A	N/A	N/A
2021	327,805,790	323,008,038	98.53%
2020	324,605,859	319,482,304	98.42%
2019	310,401,739	302,922,499	97.59%
2018	306,166,073	299,604,169	97.86%
2017	302,723,661	296,410,794	97.91%
2016	291,569,688	285,868,733	88.04%
2015	277,610,168	271,732,211	97.88%
2014	261,260,304	255,561,780	97.81%
2013	231,047,482	225,649,792	97.66%
Borough of Pine Beach			
2022	N/A	N/A	N/A
2021	6,433,799	6,378,474	99.14%
2020	6,417,258	6,367,540	99.23%
2019	6,049,255	5,922,630	98.00%
2018	5,871,599	5,780,195	98.44%
2017	5,668,699	5,609,004	98.94%
2016	5,509,089	5,434,150	98.63%
2015	5,331,898	5,246,053	98.29%
2014	5,100,301	3,484,655	97.41%
2013	4,911,915	4,148,088	97.67%
Borough of South Toms River			
2022	N/A	N/A	N/A
2021	7,014,688	6,906,487	98.34%
2020	6,776,467	6,668,442	98.40%
2019	6,703,813	6,541,300	97.58%
2018	6,542,779	6,345,281	96.98%
2017	6,338,508	6,135,359	96.80%
2016	6,185,377	6,101,081	97.17%
2015	5,943,841	5,674,371	95.47%
2014	5,766,765	5,413,165	93.87%
2013	5,663,235	5,349,728	94.46%
2012	5,656,016	5,309,391	93.87%
2011	5,540,073	5,288,930	95.47%

N/A

Information is not available.

Source: Municipal Tax Offices

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES						TOTAL DISTRICT	% OF PERSONAL INCOME	OCEAN COUNTY PER CAPITA ¹
	GENERAL OBLIGATION BONDS	COMMUNITY DISASTER LOAN	UNAMORTIZED BOND PREMIUM		NOTES PAYABLE	LEASE OBLIGATIONS			
2022	\$ 176,675,000	\$ -	\$ 1,868,088	\$ 182,834	\$ -	\$ 178,725,922	N/A	N/A	
2021	187,060,000	-	2,072,169	365,668	-	189,497,837	N/A	N/A	
2020	198,185,253	-	2,276,252	548,502	5,499,732	204,233,487	N/A	N/A	
2019	203,383,000	-	2,480,333	731,336	6,317,464	210,431,800	N/A	N/A	
2018	63,759,415	-	2,684,415	914,170	6,855,568	74,213,568	8.00%	645	
2017	50,634,395	-	2,855,958	1,097,004	6,639,890	61,227,247	0.09%	552	
2016	55,098,339	5,000,000	2,994,961	1,279,838	3,027,893	67,401,031	0.07%	612	
2015	57,705,000	5,000,000	3,133,965	1,462,672	4,174,756	71,476,393	0.07%	656	
2014	61,830,000	4,588,852	3,272,968	1,645,506	1,587,537	72,924,863	0.06%	676	
2013	65,975,000	-	3,411,972	2,929,431	663,143	69,567,574	0.06%	642	

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

¹ See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar years.

N/A-information not available.

Source: District CAFR Schedules I-1, I-2, I-2a, footnotes and District records.

TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2022	\$ 176,675,000	\$ -	\$ 176,675,000	N/A	N/A
2021	187,060,000	-	187,060,000	N/A	N/A
2020	198,185,253	-	198,185,253	N/A	N/A
2019	203,383,000	16,710,295	186,672,705	N/A	N/A
2018	61,075,000	16,794,167	44,280,833	0.31%	645
2017	49,080,000	84,208	48,995,792	0.35%	552
2016	55,098,339	-	55,098,339	0.40%	612
2015	57,705,000	-	57,705,000	0.42%	656
2014	61,830,000	-	61,830,000	0.39%	676
2013	65,975,000	-	65,975,000	0.51%	642

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

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

N/A-information not available.

TOMS RIVER REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022
Unaudited

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Toms River Regional Schools		100%	\$ 176,675,000
Net Overlapping Debt of School District:			
Beachwood		100%	15,464,104
Toms River		100%	153,646,657
Pine Beach		100%	4,098,691
South Toms River		100%	2,510,676
Total Direct & Overlapping Debt			\$ 352,395,128

Sources: Ocean County Office of the Treasurer, Beachwood, Toms River Township, Pine Beach and South Toms River.

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

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.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**
(Dollars in Thousands)
Unaudited

	As of December 31									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 737,399,498	\$ 707,393,198	\$ 691,006,153	\$ 674,722,320	\$ 655,451,418	\$ 637,576,714	\$ 624,209,152	\$ 646,632,009	\$ 622,212,017	\$ 707,198,011
Total Net Debt Applicable to Limit	176,675,000	187,060,000	197,573,000	56,235,000	44,280,833	48,995,792	53,404,951	57,705,000	61,830,000	65,975,000
Legal Debt Margin	\$ 560,724,498	\$ 520,333,198	\$ 493,433,153	\$ 618,487,320	\$ 611,170,585	\$ 588,580,922	\$ 570,804,201	\$ 588,927,009	\$ 560,382,017	\$ 641,223,011
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.96%	26.44%	28.59%	8.33%	6.76%	7.68%	8.56%	9.74%	9.46%	9.42%

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	2021 \$ 19,518,711,982
	2020 18,033,113,882
	2019 17,753,136,449
	<u>\$ 55,304,962,313</u>
Debt Limit (4% of Average Equalization Value) Net Bonded School Debt	<u>\$ 18,434,987,438</u>
Legal Debt Margin	<u>\$ 737,399,498</u> <u>176,675,000</u> <u>\$ 560,724,498</u>

Source: Equalized valuation bases were obtained from the Department of Education, regional allocation forms

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**TOMS RIVER REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Unaudited

YEAR	POPULATION (a)	OCEAN COUNTY		UNEMPLOYMENT RATES(c)			
		PER CAPITA PERSONAL INCOME (b)		BEACHWOOD	TOMS RIVER	PINE BEACH	S. TOMS RIVER
2022	N/A	N/A		N/A	N/A	N/A	N/A
2021	N/A	N/A		5.6%	5.7%	4.4%	9.1%
2020	112,687	\$ 53,139		9.4%	9.5%	7.2%	11.7%
2019	112,687	52,008		3.7%	3.4%	3.1%	5.2%
2018	110,936	57,389		4.1%	4.0%	4.2%	6.0%
2017	110,205	50,184		4.4%	4.4%	4.6%	8.6%
2016	108,946	47,413		4.9%	4.9%	4.6%	7.9%
2015	107,917	46,109		5.9%	5.7%	4.4%	8.2%
2014	108,430	44,453		6.6%	6.7%	6.8%	9.9%
2013	108,630	42,946		6.5%	8.6%	6.8%	7.6%
2012	109,026	42,603		11.0%	10.0%	8.9%	17.1%

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

^a Population information provided by the NJ Dept. of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

^b Per capita personal income by county estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

Not available - At the time of the filing of the 2022 audit, this information was not available.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**
Unaudited

	<u>2022</u>			<u>2013</u>		
<u>EMPLOYER</u>	<u>EMPLOYEES</u>	<u>RANK</u>	<u>TOTAL EMPLOYMENT</u>	<u>EMPLOYEES</u>	<u>RANK</u>	<u>TOTAL EMPLOYMENT</u>

NOT AVAILABLE

Source: Township Official Statements

NA - Not Available

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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TOMS RIVER REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
Unaudited

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	828	848	884	920	950	968	975	988	998	968
Special Education	222	232	225	211	203	205	203	199	199	186
Vocational										
Support Services:										
Student & Instruction										
Related Services	422	411	415	416	429	418	427	436	317	261
School Administrative										
Services	118	122	126	128	144	142	147	144	149	158
General Administration	40	40	42	42	42	42	40	41	40	36
Plant Operations &										
Maintenance	225	166	238	244	242	254	262	270	266	258
Administrative Information										
Technology	14	15	15	14	14	15	17	17	17	18
Pupil Transportation	176	169	191	195	196	196	195	195	192	192
Other Support Services	78	51	108	111	113	108	116	116	117	123
Total	2,123	2,054	2,244	2,281	2,333	2,348	2,382	2,406	2,295	2,200

Source: District Personnel Records

**TOMS RIVER REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**
Unaudited

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2022	14,559	\$273,179,219	18,764	6.0%	1,050	13.0	14,403.1	13,336.6	0.3%	92.6%
2021	14,525	257,828,556	17,751	1.9%	1,080	13.0	14,367.0	13,685.8	-4.5%	95.3%
2020	15,194	253,071,686	16,656	-3.0%	1,219	13.0	15,046.5	14,335.6	-1.4%	95.3%
2019	15,370	260,935,404	16,977	1.5%	1,189	13.0	15,254.4	14,410.2	-0.9%	94.5%
2018	15,565	257,164,617	16,522	3.7%	1,244	13.0	15,399.4	14,568.3	-1.3%	94.6%
2017	15,788	247,982,233	15,707	2.0%	1,243	14.2	15,602.8	14,755.4	-1.3%	94.6%
2016	15,908	243,110,485	15,282	4.0%	1,258	13.1	15,812.0	14,963.0	0.2%	94.6%
2015	15,856	233,872,417	14,750	2.2%	1,269	13.5	15,783.8	14,919.8	-2.2%	94.5%
2014	16,182	228,770,177	14,137	-0.9%	1,274	13.7	16,134.0	15,222.9	-2.6%	94.4%
2013	16,596	230,742,699	13,904	3.2%	1,276	14.1	16,556.4	15,620.2	-1.4%	94.3%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total general fund expenditures less debt service and capital outlay (C-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).

d Pupil/Teacher ratio was obtained from the Taxpayers' Guide to Education Spending

TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
Unaudited

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary Schools:										
Beachwood (1988):										
Square Feet	70,445	70,445	70,445	70,445	70,445	70,445	70,445	70,445	70,445	70,445
Capacity	618	618	786	786	786	786	786	786	786	786
Enrollment	473	459	470	479	515	536	569	578	584	584
Cedar Grove (1971):										
Square Feet	132,194	132,194	132,194	132,194	132,194	132,194	132,194	132,194	132,194	132,194
Capacity	945	945	1,134	1,134	1,134	1,134	1,134	1,134	1,134	1,134
Enrollment (a)	937	844	933	890	858	873	873	841	841	878
Citta (1999):										
Square Feet	70,581	70,581	70,581	70,581	70,581	70,581	70,581	70,581	70,581	70,581
Capacity	680	680	844	844	844	844	844	844	844	844
Enrollment	459	441	509	569	613	666	637	632	632	653
East Dover (1954):										
Square Feet	97,718	97,718	97,718	97,718	97,718	97,718	97,718	97,718	97,718	97,718
Capacity	947	947	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182
Enrollment	654	700	744	701	661	689	685	723	723	770
Hooper Avenue (1965):										
Square Feet	89,063	89,063	89,063	89,063	89,063	89,063	89,063	89,063	89,063	89,063
Capacity	900	900	1,134	1,134	1,134	1,134	1,134	1,134	1,134	1,134
Enrollment	664	677	725	717	729	729	726	743	743	755
North Dover (1956):										
Square Feet	70,492	70,492	70,492	70,492	70,492	70,492	70,492	70,492	70,492	70,492
Capacity	628	628	855	855	855	855	855	855	855	855
Enrollment	415	402	425	519	524	556	596	607	607	632
Pine Beach (1953):										
Square Feet	58,341	58,341	58,341	58,341	58,341	58,341	58,341	58,341	58,341	58,341
Capacity	509	509	614	614	614	614	614	614	614	614
Enrollment	388	414	412	436	452	442	437	450	450	447
Silver Bay (1972):										
Square Feet	112,930	112,930	112,930	112,930	112,930	112,930	112,930	112,930	112,930	112,930
Capacity	999	999	1,134	1,134	1,134	1,134	1,134	1,134	1,134	1,134
Enrollment	630	587	662	637	637	648	611	645	645	654
South Toms River (1982):										
Square Feet	58,940	58,940	58,940	58,940	58,940	58,940	58,940	58,940	58,940	58,940
Capacity	540	540	540	587	587	587	587	587	587	587
Enrollment	286	294	320	320	334	351	352	368	368	357
Walnut Street (1965):										
Square Feet	87,663	87,663	87,663	87,663	87,663	87,663	87,663	87,663	87,663	87,663
Capacity	983	983	1,134	1,134	1,134	1,134	1,134	1,134	1,134	1,134
Enrollment	754	747	753	758	787	790	757	799	799	840
Washington Street (1960):										
Square Feet	49,890	49,890	49,890	49,890	49,890	49,890	49,890	49,890	49,890	49,890
Capacity	486	486	533	533	533	533	533	533	533	533
Enrollment	318	308	347	369	417	412	379	390	390	393
West Dover (1963):										
Square Feet	56,442	56,442	56,442	56,442	56,442	56,442	56,442	56,442	56,442	56,442
Capacity	499	499	499	656	656	656	656	656	656	656
Enrollment	369	328	382	383	383	394	393	390	390	403

**TOMS RIVER REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**
Unaudited

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Middle Schools:										
East (1962):										
Square Feet	259,829	259,829	259,829	259,829	259,829	259,829	259,829	259,829	259,829	259,829
Capacity	1,296	1,296	1,296	1,518	1,518	1,518	1,518	1,518	1,518	1,518
Enrollment	1,304	1,341	1,409	1,419	1,456	1,368	1,349	1,349	1,426	1,450
North (1974):										
Square Feet	178,332	178,332	178,332	178,332	178,332	178,332	178,332	178,332	178,332	178,332
Capacity	1,451	1,451	1,451	1,610	1,610	1,610	1,610	1,610	1,610	1,610
Enrollment	1,078	1,125	1,203	1,193	1,244	1,265	1,279	1,279	1,335	1,387
South (2005):										
Square Feet	194,382	194,382	194,382	194,382	194,382	194,382	194,382	194,382	194,382	194,382
Capacity	1,167	1,167	1,167	1,242	1,242	1,242	1,242	1,242	1,242	1,242
Enrollment	1,020	1,041	1,107	1,113	1,072	1,083	1,080	1,080	1,044	1,049
High Schools:										
East (1979):										
Square Feet	241,420	241,420	241,420	241,420	241,420	241,420	241,420	241,420	241,420	241,420
Capacity	1,777	1,777	1,777	1,980	1,980	1,980	1,980	1,980	1,980	1,980
Enrollment	1,543	1,529	1,438	1,415	1,409	1,385	1,491	1,491	1,551	1,614
North (1969):										
Square Feet	404,277	404,277	404,277	404,277	404,277	404,277	404,277	404,277	404,277	404,277
Capacity	2,632	2,632	2,632	2,421	2,421	2,421	2,421	2,421	2,421	2,421
Enrollment	1,891	1,927	1,976	2,051	2,101	2,212	2,366	2,366	2,381	2,295
South (1951):										
Square Feet	172,344	172,344	172,344	172,344	172,344	172,344	172,344	172,344	172,344	172,344
Capacity	1,287	1,287	1,287	1,421	1,421	1,421	1,421	1,421	1,421	1,421
Enrollment	1,376	1,361	1,367	1,401	1,373	1,389	1,394	1,394	1,436	1,427
Other Buildings:										
Central Administration:										
Square Feet	79,417	79,417	79,417	79,417	79,417	79,417	79,417	79,417	79,417	79,417
Transportation Compound										
Square Feet	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800
Facilities Compound										
Square Feet	32,325	32,325	32,325	32,325	32,325	32,325	32,325	32,325	32,325	32,325

Number of Schools at June 30, 2022:
 Elementary Schools = 12
 Middle Schools = 3
 Senior High Schools = 3
 Other = 3

Source: District Facilities Office, District Records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count (October 2010), full and shared students on roll
 Source: ASSA

**TOMS RIVER REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE BY SCHOOL FACILITY
LAST TEN FISCAL YEARS**
Unaudited

SCHOOL FACILITIES	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
High Schools:											
East	\$ 243,879	\$ 273,060	\$ 248,676	\$ 301,052	\$ 295,368	\$ 363,707	\$ 269,290	\$ 348,805	\$ 313,760	\$ 320,434	\$ 286,299
North (inc PBA)	400,718	436,304	416,626	648,987	782,576	478,281	446,710	516,070	509,932	466,800	445,221
South	177,148	195,316	195,268	218,602	216,564	261,994	197,690	264,716	221,601	233,675	250,554
Intermediate Schools:											
East (inc JBAC)	322,729	346,578	276,061	309,291	337,134	309,351	298,380	329,238	330,525	303,214	291,563
North	207,443	195,270	192,261	242,230	235,785	241,971	201,871	238,157	289,648	247,295	222,066
South	239,528	204,084	195,330	260,293	233,514	232,510	208,274	232,440	220,012	211,386	214,785
Elementary Schools:											
Beachwood	86,276	85,978	69,866	92,760	85,778	87,227	76,182	86,271	83,985	85,340	78,146
Cedar Grove	124,788	133,796	140,202	149,435	158,608	185,562	142,519	159,389	157,219	146,542	140,367
Joseph A. Citta	68,235	74,192	87,689	90,255	84,363	88,484	77,026	92,973	92,249	105,432	84,021
East Dover	97,197	99,988	95,591	113,503	133,607	134,050	112,893	121,165	109,113	109,458	103,931
Hooper Avenue	90,687	97,891	91,511	118,907	107,954	107,183	100,484	112,355	110,407	103,876	108,156
North Dover	87,170	82,669	82,570	82,042	87,831	88,108	79,927	93,573	86,996	81,429	85,764
Pine Beach	56,348	57,722	58,351	80,603	67,572	70,719	60,596	71,768	66,157	66,510	64,431
Silver Bay	107,534	111,078	122,791	127,816	132,772	152,421	137,683	148,137	126,846	127,044	120,175
South Toms River	57,818	61,431	83,329	67,540	111,061	74,338	72,114	73,395	71,257	69,387	69,950
Walnut Street	84,988	86,049	84,447	99,200	126,329	103,767	121,588	109,624	102,222	98,827	95,540
Washington Street	49,581	49,994	48,956	57,988	59,514	63,256	54,136	61,827	66,450	61,550	57,268
West Dover	55,022	57,601	56,588	94,456	72,176	67,115	62,780	68,899	68,281	76,706	69,818
Subtotal	2,557,089	2,649,003	2,546,113	3,154,960	3,328,506	3,110,044	2,720,145	3,128,802	3,026,660	2,914,905	2,788,055
Other Facilities	166,072	188,826	309,013	165,527	169,150	169,184	153,811	170,323	74,256	149,484	148,916
Grand Total	\$ 2,723,161	\$ 2,837,829	\$ 2,855,126	\$ 3,320,487	\$ 3,497,656	\$ 3,279,228	\$ 2,873,956	\$ 3,299,125	\$ 3,100,916	\$ 3,064,389	\$ 2,936,971

Source: District Records

TOMS RIVER REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
Unaudited

	<u>COVERAGE</u>	<u>DEDUCTIBLE / SIR</u>
Excess General Liability/ Auto Liability	\$11,000,000/ \$2,000,000	\$300,000
Excess Workers Compensation	Statutory	650,000
Property Coverage for Claims Against Fire, Damage or Other Losses, Including boiler & Machinery, Physical Plant Structure & Inland Marine	150,000,000	100,000
Premises Environmental	2,000,000 / 6,000,000	25,000
Professional Liability - Incidental Medical Malpractice	2,000,000/ 11,000,000	200,000
Bonds:		
Commercial Crime/Employee Dishonesty Bond	1,000,000	10,000
Public Employees Faithful Performance	825,000	Treasurer
Position Bond	5,000	Business Administrator
Position Bond	5,000	Board Secretary
Excess Student Accident	5,000,000	25,000
Excess Liability, Safety National	8,000,000	
Excess Liability, Hudson	5,000,000	

Source: District Records

SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable President and Members
of the Board of Education
Toms River Regional Schools
County of Ocean
Toms River, NJ 08753

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States 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 Toms River Regional School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 6, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Toms River Regional Schools's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Toms River Regional Schools'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 or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
March 6, 2023



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Toms River Regional Schools
County of Ocean
Toms River, NJ 08753

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Toms River Regional School District's compliance with types of compliance requirements identified as subject to audit 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 School District's major federal and state programs for the fiscal year ended June 30, 2022. The Toms River Regional 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 Toms River Regional 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 and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Toms River Regional 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, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, New Jersey OMB's Circular 15-08 and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 the School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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

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

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

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
March 6, 2023

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TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR OR PASS THROUGH GRANITOR PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL IDENTIFICATION NUMBER	PASS THROUGH IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT PRIOR YEARS BALANCES	PASSED THROUGH TO SUBRECIPIENTS	BALANCE JUNE 30, 2022	
												UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)
U.S. Department of Health and Human Services Passed Through New Jersey Department of Human Services: Medical Assistance Program (SEM) Total Medicaid Cluster:	93.778	210SNJMAP	100-04-7540-211	\$ 454,644	7/1/21-6/30/22	\$ -	-	454,644	(454,644)	-	-	\$ -	\$ -
Total U.S. Department of Health and Human Services				454,644		-	-	454,644	(454,644)	-	-	\$ -	\$ -
U.S. Department of Agriculture Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program	10.553	221NF04N1099	100-010-3350-028	1,119,886	7/1/21-6/30/22	-	-	999,679	(1,119,886)	-	-	-	(120,207)
Summer Food Service Program for Children-Food Service Program (Summer Food Service)	10.559	221NF04N1099	100-010-3350-033	160,694	7/1/21-6/30/22	(713,546)	-	160,694	(160,694)	-	-	-	-
Summer Food Service Program for Children-Admin	10.559	221NF04N1099	100-010-3350-034	16,461	7/1/21-6/30/22	(73,061)	-	16,461	(16,461)	-	-	-	-
Summer Food Service Program for Children-Admin	10.559	221NF04N1099	100-010-3350-034	335,589	7/1/20-6/30/21	(786,607)	-	73,961	-	-	-	-	-
National School Lunch Program	10.555	221NF04N1099	100-010-3350-028	51,699,997	7/1/21-6/30/22	-	-	963,762	(1,771,155)	-	-	-	-
Emergency Operational Costs Reimbursement Program	10.555	221NF04N1099	100-010-3350-112	193,106	7/1/21-6/30/22	-	-	4,706,702	(5,169,997)	-	-	-	(463,295)
Food Distribution Program (Noncash Assistance)	10.555	221NF04N1099	Unavailable	388,152	7/1/21-6/30/22	-	-	193,106	(193,106)	-	-	-	-
	10.555	221NF04N1099	Unavailable	142,112	7/1/20-6/30/21	20,287	-	388,152	(20,287)	-	-	11,854	-
	10.555	221NF04N1099	Unavailable	142,112	7/1/20-6/30/21	20,287	-	5,288,660	(5,759,785)	-	-	11,854	(463,295)
Total Child Nutrition Cluster				6,198	7/1/21-6/30/22	(766,320)	-	7,251,501	(7,056,829)	-	-	11,854	(683,502)
PEET Administrative Costs Grant	10.649	202225900941	100-010-3350-115	6,198	7/1/21-6/30/22	-	-	6,198	(6,198)	-	-	-	-
Total U.S. Department of Agriculture				6,198		(766,320)	-	7,257,699	(7,063,027)	-	-	11,854	(683,502)
U.S. Department of Treasury Passed Through New Jersey Department of Education: Covid-CRF Re-Opening and Remote Learning	21.019	842SD200027	100-01-200-034-517	973,483	7/1/21-10/30/21	1,652	-	1,652	-	-	-	1,652	-
Total U.S. Department of Treasury				973,483		1,652	-	1,652	-	-	-	1,652	-
U.S. Department of Education Passed Through New Jersey Department of Education: Elementary and Secondary Act:	84.010	S010A210030	100-034-5064-194	2,590,315	7/1/21-9/30/22	-	-	821,681	(2,568,829)	-	-	-	(1,747,148)
Title I - Part A	84.010	S010A210030	100-034-5064-194	2,590,315	7/1/20-9/30/21	(1,215,012)	-	1,215,012	-	-	-	-	-
Title I - STA	84.010A	S010A210030	100-034-5064-194	223,960	7/1/20-9/30/21	-	-	6,189	(182,384)	-	-	-	(176,195)
Title I - STA	84.010A	S010A210030	100-034-5064-194	137,149	7/1/19-9/30/21	(93,236)	-	25,652	-	-	-	-	(13,874)
Title I - Summer A/S	84.010A	S010A10030	100-014-5064-194	66,127	7/1/17-6/30/19	62,319	-	-	-	-	-	-	8,243
						(1,246,295)	-	2,068,534	(2,751,213)	-	-	-	(1,937,177)
Title II - Part A, Supporting Effective Instruction	84.367	S367A210029	100-034-5063-290	445,633	7/1/21-9/30/22	(107,811)	-	156,418	(436,716)	-	-	-	(280,298)
Title II - Part A, Supporting Effective Instruction	84.367	S367A200029	100-034-5063-290	477,633	7/1/20-9/30/21	(107,811)	-	107,811	-	-	-	-	-
						(107,811)	-	264,229	(436,716)	-	-	-	(380,298)
Title III - English Language Acquisition	84.365	S365A210030	100-034-5064-187	76,042	7/1/21-9/30/22	(28,392)	-	18,165	(74,658)	-	-	-	(55,863)
Title III - English Language Acquisition	84.365	S365A20030	100-034-5064-187	64,633	7/1/20-9/30/21	(28,392)	-	2,992	-	-	-	-	-
						(28,392)	-	46,838	(74,658)	-	-	-	(55,863)
Title IV - Part A	84.424A	S42A210031	100-034-5063-348	192,666	7/1/21-9/30/22	-	-	57,226	(192,652)	-	-	-	(135,426)
Title IV - Part A	84.424A	S42A200031	100-034-5063-348	154,456	7/1/20-9/30/21	(35,811)	-	71,321	(35,510)	-	-	-	-
						(35,811)	-	128,547	(283,162)	-	-	-	(135,426)
Perkins Secondary Education Funds	84.048A	V048A210030	100-034-5062-084	84,154	7/1/21-9/30/22	(2,745)	-	85,634	(84,154)	-	-	1,480	-
Perkins Secondary Education Funds	84.048A	V048A200030	100-034-5062-084	90,042	7/1/20-6/30/21	(2,745)	-	8,437	(5,692)	-	-	1,480	-
Special Education Cluster:													
IDE A, Part B	84.027	H07A210100	100-034-5065-016	3,965,306	7/1/21-9/30/22	(287,260)	-	3,521,649	(3,586,730)	-	-	-	(334,181)
IDE A, Part B	84.027	H07A201000	100-034-5065-016	3,873,199	7/1/20-9/30/21	(287,260)	-	237,360	-	-	-	-	-
ARP-IDEA, Part B	84.027X	H072X10100	100-034-5065-016	749,769	7/1/21-9/30/22	(287,260)	-	213,856	(502,048)	-	-	-	(288,192)
						(287,260)	-	402,316	(4,338,778)	-	-	-	(623,373)
IDEA, Preschool	84.173	H173A210114	100-044-5065-020	129,570	7/1/21-9/30/22	-	-	65,565	(121,423)	-	-	-	(55,860)
						-	-	65,565	(121,423)	-	-	-	(55,860)
Total Special Education Cluster						(287,260)	-	4,089,228	(4,480,201)	-	-	-	(678,233)

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

TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR PASS THROUGH GRANITOR PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL IDENTIFICATION NUMBER	PASS THROUGH IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT PRIOR YEARS BALANCES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE, JUNE 30, 2022	
													UNEARNED REVENUE	ACCOUNTS RECEIVABLE
Education Stabilization Fund: Elementary and Secondary School Education Relief (ESSER) Fund: ESSER II Relief	84423D	S42SD20027	100-034-4120-517	1,681,633	3/13/20-9/30/22	(69,458)	-	769,569	(587,189)	-	-	-	-	(17,178)
CRSSA ESSER II	84423D	S42SD210027	100-034-4120-518	7,902,489	3/13/20-9/30/23	(1,420,445)	-	4,450,814	(4,481,984)	-	-	-	-	(1,451,228)
CRSSA Learning Acceleration Grant Program	84423D	S42SD210027	100-034-4120-518	507,142	3/13/20-9/30/23	(2,386)	-	310,550	(339,330)	-	-	-	-	(51,166)
CRSSA Mental Health	84423D	S42SD210027	100-034-4120-519	79,874	3/13/20-9/30/23	(4,713)	-	77,637	(79,437)	-	-	-	-	(6,511)
ARP ESSER III	84423U	S42SD210027	100-034-4120-519	17,760,334	3/13/20-9/30/24	-	-	1,289,882	(3,883,029)	-	-	-	-	(2,593,147)
ARP Accelerated Learning Coach and Educator Support	84423U	S42SD210027	100-034-4120-519	1,309,644	3/13/20-9/30/24	-	-	89,160	(232,215)	-	-	-	-	(163,035)
ARP Mental Health Support Staffing	84423U	S42SD210027	100-034-4120-519	88,442	3/13/20-9/30/24	-	-	-	(6,623)	-	-	-	-	(6,623)
ARP Frontlines Children and Youth	84423W	S42SD210027	Unavailable	148,991	3/13/20-9/30/24	-	-	-	(148,991)	-	-	-	-	(148,991)
NEA Big Read	451024	DCA2016105	N/A	15,000	7/1/20-6/30/21	(3,001)	-	6,578,512	(9,530,888)	-	-	-	-	(4,460,298)
Total U.S. Department of Education						(3,001)	-	-	(3,001)	-	-	-	-	(3,001)
U.S. Environmental Protection Agency						(3,225,318)	-	13,209,709	(17,581,004)	-	-	-	1,480	(7,550,336)
National Clean Diesel Rebate Program	66040	Not available	N/A	40,000	3/1/21-1/1/821	-	-	40,000	(40,000)	-	-	-	-	-
Total U.S. Department of Environmental Protection Agency						(3,225,318)	-	40,000	(40,000)	-	-	-	-	-
U.S. Department of Defense						(269,771)	-	-	-	-	-	-	-	(269,771)
Tech Ready Army	12300	N0018181241	N/A	763,132	4/12/19-4/30/21	(269,771)	-	-	-	-	-	-	-	(269,771)
Navy and Marine Corps Science, Technology, Engineering & Mathematics (STEM), Education and Workforce Program	12330	N0044188F003	N/A	10,925	5/1/21-4/30/22	2,603	-	2,650	(10,925)	-	-	-	-	(6,272)
Total U.S. Department of Environmental Protection Agency						(267,168)	-	2,650	(10,925)	-	-	-	-	(6,272)
Total Expenditures of Federal Awards						(4,261,154)	\$	21,084,101	(25,149,600)	\$	\$	\$	14,986	(8,409,881)
														8,243

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

TOMIS RIVER REGIONAL SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDING JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	BALANCE, JUNE 30, 2022		MEMO	
											UNEARNED REVENUE	(ACCOLINS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE
New Jersey Department of Education:														
General Fund:														
Special Education Categorical Aid	495-034-5120-089	\$ 9,865,327	7/1/21-6/30/22	-	-	\$ 9,865,327	\$ (9,865,327)	-	\$ -	-	\$ -	\$ -	\$ -	\$ 9,865,327
Security Aid	495-034-5120-084	2,538,055	7/1/21-6/30/22	-	-	2,538,055	(2,538,055)	-	-	-	-	-	-	248,773
Equalization Aid	495-034-5120-078	31,863,511	7/1/21-6/30/22	-	-	31,863,511	(31,863,511)	-	-	-	-	-	-	3,123,166
Stabilization Aid	495-034-5120-114	7,641,573	7/1/21-6/30/22	-	-	7,641,573	(7,641,573)	-	-	-	-	-	-	7,641,573
Total State Aid Public		51,908,466		-	-	51,908,466	(51,908,466)	-	-	-	-	-	-	4,338,908
Transportation Aid	495-034-5120-014	5,438,073	7/1/21-6/30/22	-	-	5,438,073	(5,438,073)	-	-	-	-	-	-	534,984
Extracurricular Aid	495-034-5120-044	5,719,629	7/1/21-6/30/22	-	-	5,719,629	(5,719,629)	-	-	-	-	-	-	5,719,629
Transportation Aid	495-034-5120-014	4,507,740	7/1/21-6/30/22	(4,507,740)	-	4,507,740	-	-	-	-	(5,719,629)	-	-	-
Additional Non-Public Transportation Aid	495-034-5120-014	638,402	7/1/21-6/30/22	-	-	-	(638,402)	-	-	-	(638,402)	-	-	638,402
Reimbursed TPAF Social Security Contributions	495-034-5120-014	468,512	7/1/21-6/30/22	(468,512)	-	468,512	-	-	-	-	(303,982)	-	-	-
TPAF - Post Retirement	495-034-5094-003	6,850,977	7/1/21-6/30/22	-	-	6,850,977	(6,850,977)	-	-	-	-	-	-	6,850,977
Medical (Noncash Assistance)	495-034-5094-001	8,257,449	7/1/21-6/30/22	-	-	8,257,449	(8,257,449)	-	-	-	-	-	-	8,257,449
TPAF - Pension	495-034-5094-002	35,342,554	7/1/21-6/30/22	-	-	35,342,554	(35,342,554)	-	-	-	-	-	-	35,342,554
Contributions (Noncash Assistance)	495-034-5094-004	9,886	7/1/21-6/30/22	-	-	9,886	(9,886)	-	-	-	-	-	-	9,886
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	9,886	7/1/21-6/30/22	-	-	9,886	(9,886)	-	-	-	(6,652,013)	-	-	4,873,892
Total General Fund		112,499,675		(4,976,252)	-	112,499,675	(114,175,436)	-	-	-	(6,652,013)	-	-	141,175,436
Special Revenue Fund:														
Non-Public Aid:														
Textbooks	100-034-5120-064	64,761	7/1/21-6/30/22	-	-	64,761	(62,248)	-	-	-	-	-	2,513	62,248
Transportation	100-034-5120-064	78,195	7/1/21-6/30/22	140	-	-	-	-	(140)	-	-	-	-	-
Nursing Services	100-034-5120-070	128,688	7/1/21-6/30/22	-	-	128,688	(126,336)	-	-	-	-	-	2,352	126,336
Technology Initiative	100-034-5120-573	461,58	7/1/21-6/30/22	-	-	461,58	(44,232)	-	-	-	-	-	1,926	44,232
Security Aid	100-034-5120-589	201,075	7/1/21-6/30/22	-	-	201,075	(192,427)	-	-	559	-	-	9,207	192,427
Security Aid	100-034-5120-589	224,000	7/1/21-6/30/22	6,493	-	-	-	-	(6,493)	-	-	-	-	-
Auxiliary Services Aid (Chapter 192):														
Compensatory Education	100-034-5120-067	214,114	7/1/21-6/30/22	-	-	214,114	(170,202)	-	-	-	-	-	43,912	170,202
Compensatory Education	100-034-5120-067	277,872	7/1/21-6/30/22	127,365	-	-	-	-	(127,365)	-	-	-	-	-
Home Instruction	100-034-5120-087	598	7/1/21-6/30/22	-	-	598	(598)	-	-	-	-	-	-	598
Home Instruction	100-034-5120-087	191	7/1/21-6/30/22	(191)	-	-	-	-	-	-	-	-	-	-
Transportation	100-034-5120-068	40,142	7/1/21-6/30/22	-	-	40,142	(40,142)	-	-	-	-	-	-	40,142
Handicapped Services (Chapter 193):														
Examination and Classification	100-034-5120-066	287,947	7/1/21-6/30/22	-	-	287,947	(246,447)	-	-	-	-	-	41,500	246,447
Examination and Classification	100-034-5120-066	294,435	7/1/21-6/30/22	120,224	-	-	-	-	(120,224)	-	-	-	-	-
New Jersey Department of Health:														
Empower Health	N/A	3,250	7/1/21-6/30/22	(207)	-	3,250	(3,250)	-	-	-	-	-	-	3,250
Empower Health	N/A	5,757	7/1/21-6/30/22	-	-	-	-	207	-	-	-	-	-	-
New Jersey Child Nutrition Fund	N/A	4,931	7/1/21-6/30/22	-	-	4,931	(3,202)	-	-	-	1,729	-	-	3,202
Middle Grades Awareness Grant	N/A	68,726	7/1/21-6/30/22	-	-	47,415	(68,726)	-	-	-	(21,311)	-	-	68,726
Sustainable New Jersey Grant	N/A	5,000	7/1/21-6/30/22	-	-	5,000	-	-	-	-	5,000	-	-	-
SDA Emergent & Capital Maintenance Need Grant	N/A	371,813	7/1/21-6/30/22	-	-	-	(371,813)	-	-	-	(371,813)	-	-	371,813
Total Special Revenue Fund		1,043,672		253,824	-	1,043,672	(1,329,623)	-	(254,222)	766	6,729	(393,722)	101,410	1,329,623
Debt Service Fund:														
Debt Service Aid	495-034-5120-017	3,051,603	7/1/21-6/30/22	-	-	3,051,603	(3,051,603)	-	-	-	-	-	-	3,051,603
Total Debt Service Fund		3,051,603		-	-	3,051,603	(3,051,603)	-	-	-	-	-	-	3,051,603
New Jersey Department of Agriculture:														
Enterprise Fund:														
National School Lunch Program	100-010-3380-023	121,213	7/1/21-6/30/22	-	-	110,551	(121,213)	-	-	-	(10,662)	-	-	121,213
National School Lunch Program	100-010-3380-023	6,415	7/1/21-6/30/22	(5,823)	-	-	-	-	-	-	5,823	-	-	-
Total Enterprise Fund		127,628		(5,823)	-	110,551	(121,213)	-	-	-	(5,823)	-	-	121,213
Total State Financial Assistance		\$ 116,705,501		\$ 4,728,251	-	\$ 116,705,501	\$ (118,677,875)	-	\$ (254,222)	6,889	6,729	\$ (7,056,397)	\$ 101,410	\$ 4,873,892
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
Retirement Medical (Noncash Assistance)	495-034-5094-001	\$ 8,257,449	7/1/21-6/30/22	-	-	8,257,449	-	-	-	-	-	-	-	8,257,449
TPAF - Pension	495-034-5094-002	35,342,554	7/1/21-6/30/22	-	-	35,342,554	-	-	-	-	-	-	-	35,342,554
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	9,886	7/1/21-6/30/22	-	-	9,886	-	-	-	-	-	-	-	9,886
Total State Financial Assistance Subject to Calculation for Major Program Determination		\$ (75,067,986)		-	-	-	-	-	-	-	-	-	-	-

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

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**TOMS RIVER REGIONAL SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Toms River Regional Schools. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School 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.

**TOMS RIVER REGIONAL SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$833,615 for the general fund and (\$2,845,479) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 454,644	\$ 115,009,051	\$ 115,463,695
Special Revenue Fund	15,134,442	965,454	16,099,896
Debt Service Fund	-	3,051,603	3,051,603
Food Service Fund	7,063,027	121,213	7,184,240
Total Awards & Financial Assistance	<u>\$ 22,652,113</u>	<u>\$ 119,147,321</u>	<u>\$ 141,799,434</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Toms River Regional Schools had no loan balances outstanding at June 30, 2022.

**TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	S010A210030	Title I - Part A
84.010A	S010A210030	Title I - SIA
84.425D	S425D200027	CARES Emergency Relief
84.425D	S425D210027	CRRSA ESSER II
84.425D	S425D210027	CRRSA Learning Acceleration Grant Program
84.425D	S425D210027	CRRSA Mental Health
84.425U	S425D210027	ARP ESSER III
84.425U	S425D210027	ARP Accelerated Learning Coach and Educator Support
84.425U	S425D210027	ARP Mental Health Support Staffing
84.425W	S425W210027	ARP Homeless Children and Youth

Dollar threshold used to determine Type A programs \$ 754,488

Auditee qualified as low-risk auditee? _____ X yes _____ no

**TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	<u>2,251,972</u>
Auditee qualified as low-risk auditee?	<u>X</u> yes	_____ no
Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	<u>X</u> none reported
Type of auditor's report issued on compliance for major programs		<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08?	_____ yes	<u>X</u> no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-044</u>	<u>Extraordinary Aid</u>
<u>495-034-5120-014</u>	<u>Transportation Aid</u>
<u>495-034-5120-014</u>	<u>Additional Non-Public Transportation Aid</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>

**TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

**TOMS RIVER REGIONAL SCHOOLS
SCHEDULE OF FINDINGS & QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**TOMS RIVER REGIONAL SCHOOLS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.