

**SCHOOL DISTRICT
OF
EAST GREENWICH TOWNSHIP**

**East Greenwich Township Board of Education
Mickleton, New Jersey**

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

TABLE OF CONTENTS

Page No.

INTRODUCTORY SECTION

Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7

FINANCIAL SECTION

<i>Independent Auditor's Report</i>	8-11
-------------------------------------	------

<i>Required Supplementary Information - Part I</i> Management's Discussion and Analysis	12-22
--	-------

Basic Financial Statements

A. District-Wide Financial Statements

A-1 Statement of Net Position	23
A-2 Statement of Activities	24

B. Fund Financial Statements

Governmental Funds

B-1 Balance Sheet	25
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	26
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27

Proprietary Funds

B-4 Statement of Net Position	28
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	29
B-6 Statement of Cash Flows	30

<i>Notes to the Financial Statements</i>	31-67
--	-------

Required Supplementary Information - Part II

C. Budgetary Comparison Schedules

C-1 Budgetary Comparison Schedule - General Fund	68-81
C-1a Combining Budgetary Comparison Schedule - General Fund	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	82

Notes to Required Supplementary Information

C-3 Budget to GAAP Reconciliation	83
-----------------------------------	----

FINANCIAL SECTION (Continued)***Required Supplementary Information - Part III***

L.	Schedules Related to Accounting and Reporting for Pensions (GASB Statement No. 68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS)	84
L-2	Schedule of the District's Contributions - Public Employees' Retirement System (PERS)	85
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teacher's Pension and Annuity Fund (TPAF)	86
L-4	Schedule of the District's Contributions - Teacher's Pension and Annuity Fund (TPAF)	87

Notes to Required Supplementary Information

L-5	Notes to Required Supplementary Information	88
-----	---	----

Required Supplementary Information - Part IV

M.	Schedules Related to Accounting and Reporting for OPEB (GASB Statement No. 75)	
M-1	Schedule of Changes in the District's Total OPEB Liability And Related Ratios	89

Notes to Required Supplementary Information

M-2	Notes to Required Supplementary Information	90
-----	---	----

Other Supplementary Information

D.	School Level Schedules	
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E.	Special Revenue Fund	
E-1	Combining Schedule of Program Revenues and Expenditures Special Revenue Fund - Budgetary Basis - Federal, State, and Local	91
E-2	Demonstrably Effective Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-3	Early Childhood Program Aid Schedule of Expenditures - Budgetary Basis	N/A
E-4	Distance Learning Network Aid Schedule of Expenditures - Budgetary Basis	N/A
E-5	Instructional Supplement Aid Schedule of Expenditures - Budgetary Basis	N/A

FINANCIAL SECTION (Concluded)**F. Capital Projects Fund**

F-1	Summary Schedule of Project Expenditures	N/A
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	N/A
F-2a	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - Construction of Addition and Renovations to the Samuel Mickle School and the Jeffrey Clark School	N/A

G. Proprietary Funds**Food Services Fund**

G-1	Statement of Net Position	N/A
G-2	Statement of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-3	Statement of Cash Flows	N/A

Before/After School Program Fund

G-4	Statement of Net Position	N/A
G-5	Statement of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-6	Statement of Cash Flows	N/A

H. Fiduciary Fund

H-1	Combining Statement of Fiduciary Net Position	N/A
H-2	Combining Statement of Changes in Fiduciary Net Position	N/A
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	N/A

I. Long-Term Debt

I-1	Schedule of Serial Bonds	92
I-2	Schedule of Obligations Under Leases	93
I-3	Debt Service Fund Budgetary Comparison Schedule	94
I-4	Schedule of Obligations Under Subscription-Based Information Technology Arrangements	95

STATISTICAL SECTION**Financial Trends**

J-1	Net Position By Component	96
J-2	Changes In Net Position	97-98
J-3	Fund Balances - Governmental Funds	99
J-4	Changes In Fund Balances - Governmental Funds	100
J-5	General Fund Other Local Revenue By Source	101

Revenue Capacity

J-6	Assessed Value and Actual Value of Taxable Property	102
J-7	Direct and Overlapping Property Tax Rates	103
J-8	Principal Property Taxpayers	104
J-9	Property Tax Levies and Collections	105

STATISTICAL SECTION (Concluded)

Debt Capacity

J-10	Ratios of Outstanding Debt By Type	106
J-11	Ratios of Net General Bonded Debt Outstanding	107
J-12	Direct and Overlapping Governmental Activities Debt	108
J-13	Legal Debt Margin Information	109

Demographic and Economic Information

J-14	Demographic and Economic Statistics	110
J-15	Principal Employers - Salem County	111

Operating Information

J-16	Full-Time Equivalent District Employees by Function/Program	112
J-17	Operating Statistics	113
J-18	School Building Information	114
J-19	Schedule of Allowable Maintenance Expenditures by School Facility	115
J-20	Insurance Schedule	116

SINGLE AUDIT SECTION

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards - Independent Auditor's Report	117-118
K-2	Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB - Independent Auditor's Report	119-121
K-3	Schedule of Expenditures of Federal Awards	122
K-4	Schedule of Expenditures of State Financial Assistance	123
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	124-125
K-6	Schedule of Findings and Questioned Costs	126-128
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	129

*Annual Comprehensive
Financial Report
of the
East Greenwich Township Board of Education
Mickleton, New Jersey
For the Fiscal Year Ended June 30, 2023*

*Prepared by
Gregory Wilson
Board Secretary/Business Administrator*

Introductory Section



EAST GREENWICH TOWNSHIP SCHOOL DISTRICT

Andrea Evans, Superintendent

Gregory Wilson, Business Administrator

December 5, 2023

Honorable President and
Members of the Board of Education
East Greenwich Township School District
County of Gloucester
Mickleton, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the East Greenwich Township School District (District) for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. Reporting Entity and Its Services

The East Greenwich Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The East Greenwich Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-school through sixth grade. These include regular, as well as special education for gifted and handicapped students. The District completed the 2022-2023 fiscal year with an enrollment of 1,275 students. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment (As of October 15th)</u>	<u>Percent Change</u>
2018-19	1,286.0	0.9%
2019-20	1,301.0	1.1%
2020-21	1,289.0	(0.7%)
2021-22	1,296.0	0.5%
2022-23	1,260.0	(0.7%)

2. Economic Condition and Outlook

The District has maintained a positive finance outlook by being fiscally responsible. East Greenwich Township has continued to add rateable properties to help offset tax increases. The District has been able to meet all of its financial commitments while maintaining its surplus.

After several years of large growth in student population, student growth has started to decrease. The decrease in enrollment is expected to have a negative impact on state aid received by the District in future years.

The District's major focus is to provide a safe and effective learning environment for staff and students while providing appropriate resources to promote learning and mental well being. The District will continue to budget appropriate money to be proactive in addressing maintenance needs.

3. Major Initiatives

The District's major initiatives will continue to provide a safe learning environment for staff and students while increasing mental health support in both areas. The District continues to budget appropriate money to be proactive in addressing maintenance needs.

4. Internal Accounting Controls

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

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

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

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 State approved annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2023.

The Business Office can verify that all budgetary controls were in place during the past school year.

6. Accounting System and Reports

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements", Note 1.

7. Financial Information At Fiscal Year End

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

8. Cash Management

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9. Risk Management

The Board carries various forms of insurance, including, but not limited to, commercial general liability, commercial catastrophic liability, business automobile liability and comprehensive/collision, commercial property on all property and contents, commercial inland marine, school board legal liability, and fidelity bonds. The Board joined the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund in fiscal year 1999. We have continued in this JIF for all lines of insurance.

10. Other Information

A. Independent Audit

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ball, Buckley and Seher, LLP, are the appointed District auditors. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11. Acknowledgements

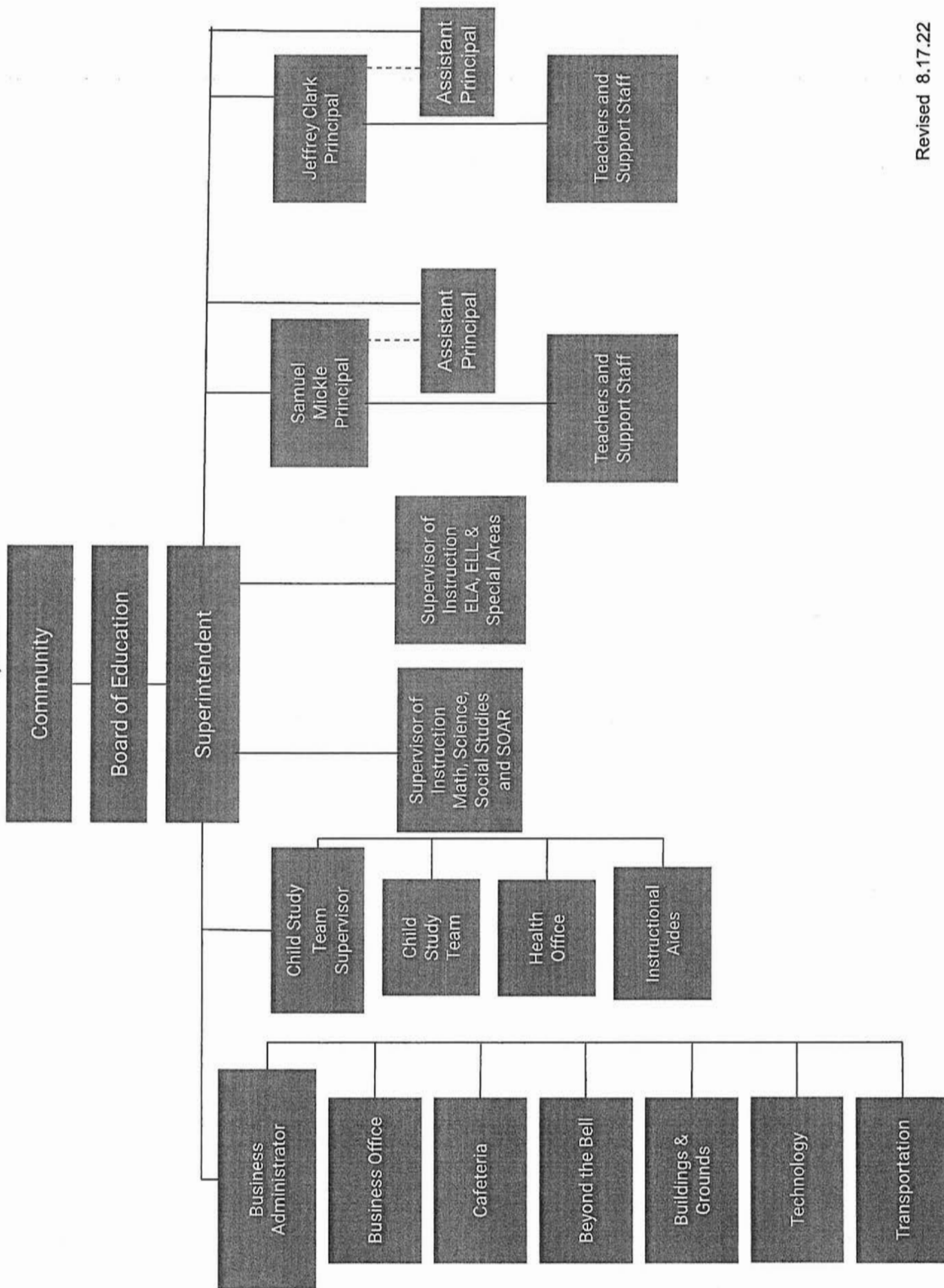
We would like to express our appreciation to the members of the East Greenwich Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the District and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted,

Andrea Evans
Superintendent

Gregory Wilson
Business Administrator/Board Secretary

EAST GREENWICH TOWNSHIP BOARD OF EDUCATION
MICKLETON, NEW JERSEY
ORGANIZATIONAL CHART
JUNE 30, 2023



**EAST GREENWICH TOWNSHIP BOARD OF EDUCATION
MICKLETON, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2023**

Term
Expires

Members of the Board of Education

Wayne T. Jones, President	2023
Mark Schonewise, Vice President	2023
Lynn Starks	2025
Krissy Christian	2025
John Baird	2025
Lori Becker	2024
Stephanie Cosentino	2024
Jennifer Cavalieri	2024
Jodie O'Brien	2023

Other Officials

Andrea Evans, Superintendent
Gregory Wilson, Business Administrator/Board Secretary
Stephen Edelstein, Esquire, Solicitor

EAST GREENWICH TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Ball, Buckley and Seher, LLP
Certified Public Accountants
1301 North Broad Street
Woodbury, New Jersey 08096

Solicitor

Weiner Law Group
Stephen Edelstein, Esquire
629 Parsippany Road
Parsippany, New Jersey 07054

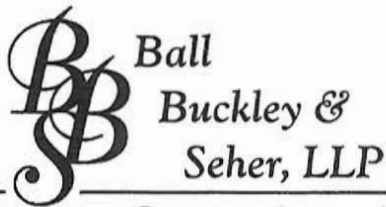
Official Depository

Fulton Bank of N.J.
Mickleton Branch
421 Kings Highway
Mickleton, New Jersey 08056

Architect

Garrison Architects
713 Creek Road
Bellmawr, New Jersey 08031

Financial Section



CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Township of East Greenwich School District
County of Gloucester
Mickleton, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Township of East Greenwich School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows therefor for the fiscal year then ended in conformity 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; 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 as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the 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, 2023, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

Exercise professional judgement and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the District's proportionate share of the net pension liability, schedule of the District's pension contributions, and schedules of changes in the District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental 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 District's basic financial statements. The combining statements and related major fund supporting statements and schedules, are presented for purposes of additional analysis, as required by the Office of School 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining 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 December 5, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

Ball, Buckley & Seher, LLP

BALL, BUCKLEY & SEHER, LLP
Certified Public Accountants
Woodbury, New Jersey

Wayne W. Buckley

Wayne W. Buckley
Licensed Public School Accountant No. 240

December 5, 2023

Required Supplementary Information - Part I

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR JUNE 30, 2023**

This section of the East Greenwich Township School District's (District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal years that ended June 30, 2023 and 2022. The intent of this section is to look at the District's financial performance and review the notes to the financial statements to enhance the understanding of the District's financial performance. It is recommended that this section be read in conjunction with the transmittal letter at the front of this report and the District's financial statements.

Financial Highlights

Key financial highlights for the 2022-23 fiscal year include the following:

- Total assets and deferred outflows of resources of the District were over its total liabilities and deferred inflows of resources by \$7,834,475.56 for governmental activities and \$502,679.25 for business-type activities (net position).
- Net position for governmental activities increased by \$421,814.43 and the net position for business type activities increased by \$133,110.28 from July 1, 2022 to June 30, 2023.
- The general fund, fund balance as of June 30, 2023 was \$3,680,539.16, a decrease of \$1,022,476.07 when compared with the beginning balance as of July 1, 2022 of \$4,703,015.23.

Overview of the Financial Statements

The financial section of the annual report consists of four parts - Independent Auditor's Report, Required Supplementary Information which includes the Management's Discussion and Analysis (this section), the Basic Financial Statements, and Supplemental Information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in short-term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities that the District operates like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

Government-Wide Statements

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

The two government-wide statements report the District's net position and how they have changed. Net position - the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources - are one way to measure of the District's financial health or position.

- Increase or decrease in the District's net position is an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* - The basic services, such as instruction for regular and special education, maintenance and operations, transportation, and administration are included as government activities. Property taxes, state aid, and fund balance appropriated finance most of these activities.
- *Business-type activities* - The District charges fees to cover the costs of certain services it provides. The District's food service program and before/after school program are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds - focusing on the significant funds - not the District as a whole. Funds are used by the District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The District has two kinds of funds:

- **Governmental funds** - The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- **Proprietary funds** - These funds represent charges or fees such activities as food services.

Table 1
Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services is included here	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required Financial Statements	Statement of net position	Balance sheet	Statement of net position	Statement of fiduciary net assets
	Statement of activities	Statement of revenues, expenditures, and changes in fund balances	Statement of revenues, expenses, and changes in fund net position	Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Assets/ Liability	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE.

Net Position. The District's net position for the fiscal years ended June 30, 2022 and 2023 are reflected in Table 2.

Table 2
Net Position

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets:						
Current and other assets	\$ 3,840,921.38	\$ 526,854.42	\$ 4,367,775.80	\$ 4,806,655.34	\$ 471,225.32	\$ 5,277,880.66
Intangible assets, net	14,101.03	0.00	14,101.03	0.00	0.00	0.00
Capital assets, net	19,934,067.68	92,635.67	20,026,703.35	20,143,776.75	0.00	20,143,776.75
Total assets	23,789,090.09	619,490.09	24,408,580.18	24,950,432.09	471,225.32	25,421,657.41
Deferred outflow of resources - related to pensions	542,618.00	0.00	542,618.00	721,671.00	0.00	721,671.00
Liabilities:						
Current and other liabilities	541,665.19	116,810.84	658,476.03	464,823.42	101,656.35	566,479.77
Subscription-based information technology arrangements:						
Due within one year	3,317.23	0.00	3,317.23	0.00	0.00	0.00
Due in more than one year	10,569.45	0.00	10,569.45	0.00	0.00	0.00
Long-term liabilities:						
Due within one year	1,217,300.16	0.00	1,217,300.16	1,228,792.35	0.00	1,228,792.35
Due in more than one year	13,995,774.50	0.00	13,995,774.50	14,646,075.19	0.00	14,646,075.19
Total liabilities	15,768,626.53	116,810.84	15,885,437.37	16,339,690.96	101,656.35	16,441,347.31
Deferred inflow of resources - related to pensions	728,606.00	0.00	728,606.00	18,260,359.90	0.00	18,260,359.90
Net position:						
Net investment in capital assets	7,735,743.03	92,635.67	7,828,378.70	6,854,984.40	0.00	6,854,984.40
Restricted for:						
Debt service	1.38	0.00	1.38	1.13	0.00	1.13
Capital projects	604,373.92	0.00	604,373.92	602,522.21	0.00	602,522.21
Other purposes	3,214,839.30	0.00	3,214,839.30	4,179,060.66	0.00	4,179,060.66
Unrestricted	(3,720,482.07)	410,043.58	(3,310,438.49)	(4,223,907.27)	369,568.97	(3,854,338.30)
Total net position	\$ 7,834,475.56	\$ 502,679.25	\$ 8,337,154.81	\$ 7,412,661.13	\$ 369,568.97	\$ 7,782,230.10

The District's financial position for governmental and business-type activities is the product of the following factors:

- Program revenues were \$1,983,833.58 (operating grants and contributions \$1,166,285.53 and charges for services \$817,548.05).
- General revenues, special items, extraordinary items, and transfers amounted to \$26,687,248.58.
- Net expenditures were \$26,132,323.87.
- Total District revenues and beginning position are adjusted by net adjusted expenditures resulting in a calculation of net position of \$8,337,154.81 as of June 30, 2023.
- Revenues (\$26,687,248.58) plus beginning position (\$7,782,230.10) less net expenditures (\$26,132,323.87) equals net position of \$8,337,154.81.

Table 3 provides an illustration of the impact of the District's net position for the implementation of GASB Statement No. 68.

Table 3
Statement of Net Position - Effect on Pension Related Items
At June 30, 2023 and 2022

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Deferred outflows related to pensions	\$ 542,618.00	\$ 0.00	\$ 542,618.00	\$ 496,464.00	\$ 0.00	\$ 496,464.00
Less: accounts payable related to pensions	(272,290.00)	0.00	(272,290.00)	(243,699.00)		(243,699.00)
Less: net pension liability	(2,916,426.00)	0.00	(2,916,426.00)	(2,451,759.00)	0.00	(2,451,759.00)
Less: deferred inflows related to pensions	(728,606.00)	0.00	(728,606.00)	(1,694,544.00)	0.00	(1,694,544.00)
Total	\$ (3,374,704.00)	\$ 0.00	\$ (3,374,704.00)	\$ (3,893,538.00)	\$ 0.00	\$ (3,893,538.00)

Change in Net Position. Net position for governmental activities decreased from June 30, 2022 to June 30, 2023 as reflected in Table 4.

Table 4
Changes in Net Position

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Program revenues:						
Charges for services	\$ 0.00	\$ 817,548.05	\$ 817,548.05	\$ 0.00	\$ 525,341.68	\$ 525,341.68
Operating grants and contributions	940,152.41	226,133.12	1,166,285.53	1,552,675.41	575,162.00	2,127,837.41
General revenues:						
Property taxes	14,663,263.00	0.00	14,663,263.00	14,652,325.00	0.00	14,652,325.00
Grants and entitlements	11,729,303.07	0.00	11,729,303.07	9,529,694.03	0.00	9,529,694.03
Other	334,177.66	(39,495.15)	294,682.51	322,739.43	1,144.86	323,884.29
Total revenues	27,666,896.14	1,004,186.02	28,671,082.16	26,057,433.87	1,101,648.54	27,159,082.41
Program expenses:						
Instruction	9,420,728.33	0.00	9,420,728.33	9,058,484.51	0.00	9,058,484.51
Tuition	533,177.90	0.00	533,177.90	358,652.27	0.00	358,652.27
Student and instruction related services	2,678,286.77	0.00	2,678,286.77	2,644,029.05	0.00	2,644,029.05
General administration	433,708.06	0.00	433,708.06	451,185.59	0.00	451,185.59
School administrative services	634,919.55	0.00	634,919.55	630,256.29	0.00	630,256.29
Central services	281,603.36	0.00	281,603.36	269,544.77	0.00	269,544.77
Administration information technology	71,219.92	0.00	71,219.92	76,824.71	0.00	76,824.71
Plant operations and maintenance	1,916,242.81	0.00	1,916,242.81	1,637,905.72	0.00	1,637,905.72
Pupil transportation	1,868,496.65	0.00	1,868,496.65	1,342,228.21	0.00	1,342,228.21
Employee benefits	7,709,552.34	0.00	7,709,552.34	7,065,827.54	0.00	7,065,827.54
Interest on long-term liabilities	429,008.33	0.00	429,008.33	473,644.25	0.00	473,644.25
Capital outlay	55,235.56	0.00	55,235.56	59,979.02	0.00	59,979.02
Unallocated depreciation (SBITAs)	3,525.26	0.00	3,525.26	0.00	0.00	0.00
Unallocated depreciation	1,209,376.87	0.00	1,209,376.87	1,216,323.75	0.00	1,216,323.75
Enterprise operation	0.00	871,075.74	871,075.74	0.00	786,329.19	786,329.19
Total expenses	27,245,081.71	871,075.74	28,116,157.45	25,284,885.68	786,329.19	26,071,214.87
Increase (decrease) in net position	421,814.43	133,110.28	554,924.71	772,548.19	315,319.35	1,087,867.54
Net position - beginning, as previously reported	7,412,661.13	369,568.97	7,782,230.10	6,629,209.45	54,249.62	6,683,459.07
Prior period adjustment - leases payable	0.00	0.00	0.00	10,903.49	0.00	10,903.49
Net position - beginning, as restated	7,412,661.13	369,568.97	7,782,230.10	6,640,112.94	54,249.62	6,694,362.56
Net position - ending	7,834,475.56	502,679.25	8,337,154.81	7,412,661.13	369,568.97	7,782,230.10

Total revenues for the District were \$28,671,082.16. Governmental funding was the source of 47.83% of the District's revenues. This is made up of funds from the State of New Jersey and federal sources.

Property taxes of \$14,663,263.00 provided 51.14% of revenues.

Other miscellaneous revenues of \$290,942.90 (net of asset items) represents 1.03% of the District revenues. Miscellaneous revenue was primarily provided from tuition and interest.

In 2022-23, the District's governmental activities expenditures increased by \$1,960,196.03 or (10.74%).

The District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$9,953,906.23 (34.75%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$4,546,783.42 (15.87%) of total expenditures. Plant operations and maintenance totaled \$1,916,242.81 (6.69%) of total expenditures. Total expenditures were more than revenues for governmental activities, increasing net position \$421,814.43 from the beginning balance at July 1, 2022.

Activity Descriptions

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

Tuition expenses include the cost to the District to send pupils with special needs living within the District to private schools and/or schools outside the District area.

Student and instruction related services include the activities designed to assess and improve the well being of students and to supplement the teaching process.

School administrative and general and business administrative services include expenses associated with establishing and administering policy for the District including financial supervision.

Plant operation and maintenance of plant activities involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

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

Unallocated benefits includes the cost of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

Interest on long-term debt involve the transactions associated with the payment of interest and other related charges to the debt of the District.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is also reflected in the governmental funds which are accounted for by using the modified accrual basis of accounting. As the District completed the year, its governmental funds reported a combined fund balance of \$3,700,854.52. At June 30, 2022 the fund balance was \$4,726,224.67.

All governmental funds had total revenues of \$27,539,409.01 and total expenditures of \$28,642,866.16.

GENERAL FUND BUDGETING HIGHLIGHTS

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The General Fund includes the primary operations of the District in providing educational services to students from pre-kindergarten through grade 6 including pupil transportation activities and capital outlay projects.

Table 5 presents a summary of Governmental Fund revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

Table 5
Comparison of Revenues

	2023	2022	Increase/ (Decrease)	Percentage Increase/ (Decrease)
Local sources:				
Local tax levy	\$ 14,663,263.00	\$ 14,652,325.00	\$ 10,938.00	0.07%
Tuition	25,125.00	40,855.13	(15,730.13)	-38.50%
Miscellaneous	181,565.53	185,201.80	(3,636.27)	-1.96%
Government sources:				
State sources	11,890,681.30	9,658,048.54	2,232,632.76	23.12%
Federal sources	778,774.18	594,863.85	183,910.33	30.92%
Total	<u>\$ 27,539,409.01</u>	<u>\$ 25,131,294.32</u>	<u>\$ 2,408,114.69</u>	<u>9.58%</u>

One of the primary sources of funding for the District is received from local property taxes and accounted for 53.24% of total revenues. State aid accounted for 43.17% of total revenues.

Total governmental fund revenues increased by \$2,408,114.69, or 9.58% from the previous year as detailed above.

There was an increase in property taxes for the general fund of \$10,938.00, which is a .07% increase from the prior year. State law limits the increase in general fund taxes to 2%, plus a minimal amount of adjustments. The District utilized the automatic adjustment for enrollment over the 2% local cap. For the 2012-13 school year, a new law was enacted allowing school districts to bypass the requirement for voter approval of the budget by moving the annual election for school board members to the general election in November. The Board of Education made the decision in February of 2012 to move the election to November.

Table 6 presents a summary of governmental fund expenditures. The summary reflects the dollar and percent increases (decreases) from the prior year.

Table 6
Comparison of Expenditures

	2023	2022	Increase/ (Decrease)	Percentage Increase/ (Decrease)
Instruction:				
Regular	\$ 6,596,212.77	\$ 6,622,398.16	\$ (26,185.39)	-0.40%
Special education	2,022,896.63	1,829,613.04	193,283.59	10.56%
Other special education	801,618.93	606,473.31	195,145.62	32.18%
Support services:				
Tuition	533,177.90	358,652.27	174,525.63	48.66%
Student and instruction related services	2,678,286.77	2,644,029.05	34,257.72	1.30%
General administration	433,708.06	451,185.59	(17,477.53)	-3.87%
School administrative services	634,919.55	630,256.29	4,663.26	0.74%
Central services	281,603.36	269,544.77	12,058.59	4.47%
Administration information technology	71,219.92	76,824.71	(5,604.79)	-7.30%
Plant operations and maintenance	1,916,242.81	1,637,905.72	278,337.09	16.99%
Pupil transportation	1,868,496.65	1,342,228.21	526,268.44	39.21%
Unallocated benefits	8,159,185.70	3,177,439.95	4,981,745.75	156.78%
TPAF and FICA reimbursements	1,150,000.00	3,553,512.54	(2,403,512.54)	-67.64%
Capital outlay	440,393.75	217,547.92	222,845.83	102.44%
Debt service	1,054,903.36	1,579,456.25	(524,552.89)	-33.21%
Total	\$ 28,642,866.16	\$ 24,997,067.78	\$ 3,645,798.38	14.58%

Total governmental fund expenditures increased \$3,645,798.38 or 14.58% from the previous year as detailed above.

The District values its fund balances as a vehicle for addressing unbudgeted and emergency needs that occur during the school year.

During the course of fiscal year 2023, the District modified the general fund budget as needed to ensure no line item was projected to be overexpended.

DEBT SERVICE FUND

As of June 30, 2023, the District had \$12,135,000.00 in serial bonds payable, \$63,539.00 in lease liability, \$13,886.68 in SBITAS, \$98,109.66 in compensated absences payable, and \$2,916,426.00 in a net pension liability. This net pension liability occurred as a result of the implementation of GASB Statement No. 68.

All reductions in long-term debt were made according to the payment schedules.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$34,033,202.36 and the legal debt margin was \$21,898,202.36.

Additional information on the District's long-term obligations can be found in the notes to the financial statements (Note 6) of this report.

FOOD SERVICE ENTERPRISE FUND

The food service enterprise fund had net position of \$312,313.13 as of June 30, 2023. This reflects an increase of \$86,867.40 from June 30, 2022.

BEYOND THE BELL FUND

The beyond the bell enterprise fund had net position of \$190,366.12 as of June 30, 2023. This reflects a increase of \$46,242.88 from June 30, 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets are individual items purchased at a cost exceeding \$2,000.00, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of 2023, the District had capital assets allocated to governmental activities with a book value of \$37,801,844.63. This consists of a broad range of capital assets, including land, site, site improvements, buildings, building improvements, and equipment. Total depreciation expense for the year was \$17,775,141.28.

Table 7 summarizes capital assets.

Table 7
Capital Assets (Net of Depreciation)
At June 30, 2023 and 2022

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land, site, and site improvements	\$ 542,460.89	\$ 0.00	\$ 542,460.89	\$ 304,182.63	\$ 0.00	\$ 304,182.63
Buildings and building improvements	18,750,839.85	0.00	18,750,839.85	19,187,190.43	0.00	19,187,190.43
Equipment	383,766.94	92,635.67	476,402.61	395,403.69	0.00	395,403.69
Total	\$ 19,677,067.68	\$ 92,635.67	\$ 19,769,703.35	\$ 19,886,776.75	\$ 0.00	\$ 19,886,776.75

Current Financial Issues and Concerns

- After several years of large growth in student population, student growth has started to decrease. The decrease in enrollment is expected to have a negative impact on state aid received by the District. The District is monitoring the potential for new housing developments within the Township which could change the current decrease in enrollment.
- The District routinely monitors the rules and regulations of the Every Student Succeeds Act and Individuals With Educational Disabilities federal legislation to assess and ensure financial compliance.
- It is important for the District to continue to be able to complete capital improvement projects. One of the Board of Education's goals is to budget appropriate monies to sufficiently maintain the physical plants of the District with the technology infrastructure and upgrade when necessary.

The East Greenwich Township School District has committed itself to financial excellence for many years and plans to continue its sound fiscal management to meet the challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the East Greenwich Township School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, East Greenwich Township School District, 559 Kings Highway, Mickleton, NJ 08056.

Basic Financial Statements

District-Wide Financial Statements

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 2,126,850.66	\$ 501,021.59	\$ 2,627,872.25
Receivables, net	338,823.14	5,270.52	344,093.66
Inventory	0.00	20,562.31	20,562.31
Restricted assets:			
Cash and cash equivalents	1,375,247.58	0.00	1,375,247.58
Intangible asset, net	14,101.03	0.00	14,101.03
Capital assets:			
Non-depreciable	257,000.00	0.00	257,000.00
Assets net of depreciation	19,677,067.68	92,635.67	19,769,703.35
Total assets	<u>23,789,090.09</u>	<u>619,490.09</u>	<u>24,408,580.18</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to pensions	<u>542,618.00</u>	<u>0.00</u>	<u>542,618.00</u>
LIABILITIES:			
Accounts payable	350,483.43	63,668.64	414,152.07
Accrued interest	129,308.33	0.00	129,308.33
Unearned revenue	61,873.43	53,142.20	115,015.63
Noncurrent liabilities:			
Subscription-based information technology arrangements:			
Due within one year	3,317.23	0.00	3,317.23
Due beyond one year	10,569.45	0.00	10,569.45
Noncurrent liabilities:			
Due within one year	1,217,300.16	0.00	1,217,300.16
Due beyond one year	13,995,774.50	0.00	13,995,774.50
Total liabilities	<u>15,768,626.53</u>	<u>116,810.84</u>	<u>15,885,437.37</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to pensions	<u>728,606.00</u>	<u>0.00</u>	<u>728,606.00</u>
NET POSITION:			
Net investment in capital assets	7,735,743.03	92,635.67	7,828,378.70
Restricted for:			
Capital projects	604,373.92	0.00	604,373.92
Debt service	1.38	0.00	1.38
Other purposes	3,214,839.30	0.00	3,214,839.30
Unrestricted	<u>(3,720,482.07)</u>	<u>410,043.58</u>	<u>(3,310,438.49)</u>
Total net position	<u>\$ 7,834,475.56</u>	<u>\$ 502,679.25</u>	<u>\$ 8,337,154.81</u>

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Program Revenues			Net (Expenses) Revenue And Changes In Net Position	
	Expenses	Charges For Services	Operating Grants And Contributions	Governmental Activities	Business-Type Activities
Governmental activities:					
Instruction:					
Regular	\$ 6,596,212.77	\$ 0.00	\$ 468,515.09	\$ (6,127,697.68)	\$ 0.00
Special education	2,022,896.63	0.00	0.00	(2,022,896.63)	0.00
Other special instruction	801,618.93	0.00	0.00	(801,618.93)	0.00
Support services:					
Tuition	533,177.90	0.00	0.00	(533,177.90)	0.00
Student and instruction related services	2,678,286.77	0.00	161,217.16	(2,517,069.61)	0.00
General administration	433,708.06	0.00	0.00	(433,708.06)	0.00
School administrative services	634,919.55	0.00	0.00	(634,919.55)	0.00
Central services	281,603.36	0.00	0.00	(281,603.36)	0.00
Administration information technology	71,219.92	0.00	0.00	(71,219.92)	0.00
Plant operations and maintenance	1,916,242.81	0.00	0.00	(1,916,242.81)	0.00
Pupil transportation	1,868,496.65	0.00	0.00	(1,868,496.65)	0.00
Employee benefits	7,709,552.34	0.00	14,883.00	(7,694,669.34)	0.00
Interest on long-term debt	429,008.33	0.00	0.00	(429,008.33)	0.00
Capital outlay	55,235.56	0.00	295,537.16	240,301.60	0.00
Unallocated depreciation (SBITAs)	3,525.26	0.00	0.00	(3,525.26)	0.00
Unallocated depreciation	1,209,376.87	0.00	0.00	(1,209,376.87)	0.00
Total governmental activities	27,245,081.71	0.00	940,152.41	(26,304,929.30)	0.00
Business-type activities:					
Food service	503,022.95	403,252.38	226,133.12	0.00	126,362.55
Beyond the bell	368,052.79	414,295.67	0.00	0.00	46,242.88
Total business-type activities	871,075.74	817,548.05	226,133.12	0.00	172,605.43
Total primary government	\$ 28,116,157.45	\$ 817,548.05	\$ 1,166,285.53	(26,304,929.30)	(26,132,323.87)
General revenues:					
Taxes:					
Property taxes, levied for general purposes, net				13,072,869.00	0.00
Taxes levied for debt service				1,590,394.00	0.00
Federal and state aid not restricted				11,729,303.07	0.00
Tuition				25,125.00	0.00
Investment earnings				9,745.85	965.71
Local sources				136,649.38	0.00
Miscellaneous income				35,170.30	2,261.09
Change in compensated absences				36,206.53	0.00
Change in leases payable				9,453.99	0.00
Change in SBITA payable				3,739.61	0.00
Net increase (decrease) in unemployment reserve				23,865.05	0.00
Enterprise fund surplus				42,721.95	(42,721.95)
Net increase (decrease) in chrome book deposits				11,500.00	0.00
				<u>26,726,743.73</u>	<u>26,687,248.58</u>
Change in net position				421,814.43	133,110.28
Net position - beginning				7,412,661.13	369,568.97
Net position - ending				<u>\$ 7,834,475.56</u>	<u>\$ 502,679.25</u>
					<u>\$ 8,337,154.81</u>

The accompanying notes to financial statements are an integral part of this statement.

Fund Financial Statements

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

ASSETS:	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Cash and cash equivalents	\$ 2,107,423.97	\$ 19,425.31	\$ 0.00	\$ 1.38	\$ 2,126,850.66
Local taxes receivable	0.00	0.00	0.00	0.00	0.00
Due from other funds	54,246.24	0.00	0.00	0.00	54,246.24
Receivables from other governments	221,728.90	62,848.00	0.00	0.00	284,576.90
Accounts receivable - other	0.00	0.00	0.00	0.00	0.00
Restricted cash and cash equivalents	1,375,247.58	0.00	0.00	0.00	1,375,247.58
Total assets	\$ 3,758,646.69	\$ 82,273.31	\$ 0.00	\$ 1.38	\$ 3,840,921.38
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Cash deficit	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Accounts payable	2,195.69	85.90	0.00	0.00	2,281.59
Payable to other governments	0.00	0.00	0.00	0.00	0.00
Payroll deductions and withholding taxes payable	75,103.53	0.00	0.00	0.00	75,103.53
Reserve for flexible spending account	808.31	0.00	0.00	0.00	808.31
Unearned revenue	0.00	61,873.43	0.00	0.00	61,873.43
Fund balances:	78,107.53	61,959.33	0.00	0.00	140,066.86
Restricted for:					
Excess surplus - current year	874,520.06	0.00	0.00	0.00	874,520.06
Surplus - prior year - designated for subsequent year's expenditures	0.03	0.00	0.00	0.00	0.03
Excess surplus - designated for subsequent year's expenditures	1,441,858.26	0.00	0.00	0.00	1,441,858.26
Unemployment compensation	193,188.37	0.00	0.00	0.00	193,188.37
Emergency reserve	71,014.14	0.00	0.00	0.00	71,014.14
Maintenance reserve	463,468.18	0.00	0.00	0.00	463,468.18
Capital reserve account	604,373.92	0.00	0.00	0.00	604,373.92
Student activities	0.00	20,313.98	0.00	0.00	20,313.98
Assigned:					
Other purposes	47,040.00	0.00	0.00	1.38	47,041.38
Reserve for encumbrances	100,541.95	0.00	0.00	0.00	100,541.95
Unassigned:					
General fund	(115,465.75)	0.00	0.00	0.00	(115,465.75)
Total fund balances	\$ 3,680,539.16	\$ 20,313.98	\$ 0.00	\$ 1.38	\$ 3,700,854.52
Total liabilities and fund balances	\$ 3,758,646.69	\$ 82,273.31	\$ 0.00	\$ 1.38	\$ 3,840,921.38

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 \$37,706,014.63 and the accumulated depreciation is \$17,771,946.95.

Subscription-based information technology arrangements (SBITAs) used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the intangible asset is \$17,626.29 and the accumulated amortization is \$3,525.26.

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see footnote).

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

Net pension liability.

Accounts payable related to the April 1, 2024 required PERKS pension contribution that is not to be liquidated with current financial resources.

Deferred outflows of resources - related to pensions.

Deferred inflows of resources - related to pensions.

Net position of governmental activities \$ 7,834,475.56

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local tax levy	\$ 13,072,869.00	\$ 0.00	\$ 0.00	\$ 1,590,394.00	\$ 14,663,263.00
Tuition	25,125.00	0.00	0.00	0.00	25,125.00
Interest earned on capital reserve funds	1,851.71	0.00	0.00	0.00	1,851.71
Interest on emergency reserve	194.92	0.00	0.00	0.00	194.92
Interest earned on maintenance reserve fund	1,461.88	0.00	0.00	0.00	1,461.88
Local sources	0.00	136,649.38	0.00	0.00	136,649.38
Miscellaneous	41,407.64	0.00	0.00	0.00	41,407.64
Total local sources	13,142,910.15	136,649.38	0.00	1,590,394.00	14,869,953.53
State sources	11,861,126.30	29,555.00	0.00	0.00	11,890,681.30
Federal sources	7,720.48	771,053.70	0.00	0.00	778,774.18
Total revenues	25,011,756.93	937,258.08	0.00	1,590,394.00	27,539,409.01
EXPENDITURES:					
Current:					
Regular instruction	6,127,697.68	468,515.09	0.00	0.00	6,596,212.77
Special education instruction	2,022,896.63	0.00	0.00	0.00	2,022,896.63
Other special instruction	801,618.93	0.00	0.00	0.00	801,618.93
Support services and undistributed costs:					
Tuition	533,177.90	0.00	0.00	0.00	533,177.90
Student and instruction related services	2,517,069.61	161,217.16	0.00	0.00	2,678,286.77
General administration	433,708.06	0.00	0.00	0.00	433,708.06
School administrative services	634,919.55	0.00	0.00	0.00	634,919.55
Central services	281,603.36	0.00	0.00	0.00	281,603.36
Administrative information technology	71,219.92	0.00	0.00	0.00	71,219.92
Plant operations and maintenance	1,916,242.81	0.00	0.00	0.00	1,916,242.81
Pupil transportation	1,868,496.65	0.00	0.00	0.00	1,868,496.65
Unallocated benefits	8,144,302.70	14,883.00	0.00	0.00	8,159,185.70
Debt service:					
Principal	0.00	0.00	0.00	1,150,000.00	1,150,000.00
Interest and other charges	0.00	0.00	0.00	440,393.75	440,393.75
Capital outlay	759,366.20	295,537.16	0.00	0.00	1,054,903.36
Total expenditures	26,112,320.00	940,152.41	0.00	1,590,393.75	28,642,866.16
Excess (deficiency) of revenues over (under) expenditures	(1,100,563.07)	(2,894.33)	0.00	0.25	(1,103,457.15)
OTHER FINANCING SOURCES (USES):					
Net increase (decrease) in unemployment fund	23,865.05	0.00	0.00	0.00	23,865.05
Net increase (decrease) in chrome book deposits	11,500.00	0.00	0.00	0.00	11,500.00
Transfer in - enterprise fund	42,721.95	0.00	0.00	0.00	42,721.95
Total other financing sources (uses)	78,087.00	0.00	0.00	0.00	78,087.00
Net change in fund balances	(1,022,476.07)	(2,894.33)	0.00	0.25	(1,025,370.15)
Fund balance - July 1	4,703,015.23	23,208.31	0.00	1.13	4,726,224.67
Fund balance - June 30	\$ 3,680,539.16	\$ 20,313.98	\$ 0.00	\$ 1.38	\$ 3,700,854.52

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
For the Fiscal Year Ended June 30, 2023

Total net change in fund balances - governmental funds (from B-2) \$ (1,025,370.15)

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

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

Depreciation expense	\$ (1,209,376.87)	
Capital outlays	<u>999,667.80</u>	(209,709.07)

Repayment of bond principal and principal payments on leases are
expenditures in the governmental funds, but the repayment and
and principal payments reduce long-term liabilities in the statement
of position and is not reported in the statement of activities.

Bond principal		1,150,000.00
Lease principal		9,453.99
SBITA principal		3,739.61

Governmental funds report outlays for subscription-based information
technology arrangements (SBITAs) as expenditures. However, in the
statement of activities, the cost of those intangible assets is allocated
over their subscription term as amortization expense. This
is the amount by which SBITA outlays exceeded amortization in the
period.

Amortization expense		(3,525.26)
----------------------	--	------------

In the statement of activities, certain operating expense, e.g., compensated
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 a reduction in the reconciliation; when the paid amount
exceeds the earned amount the difference is an addition to the reconciliation.

Compensated absences		36,206.53
----------------------	--	-----------

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.

		11,385.42
--	--	-----------

Governmental funds report 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 District's pension contributions in the
current period.

		<u>449,633.36</u>
--	--	-------------------

Change in net position of governmental activities		<u>\$ 421,814.43</u>
---	--	----------------------

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

Business-Type Activities - Enterprise Funds			
	Food Service	Beyond The Bell	Total
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 225,307.52	\$ 275,714.07	\$ 501,021.59
Accounts receivable	3,525.55	0.00	3,525.55
Interfund accounts receivable	1,744.97	0.00	1,744.97
Inventories	20,562.31	0.00	20,562.31
Total current assets	251,140.35	275,714.07	526,854.42
Noncurrent assets:			
Equipment	197,830.00	0.00	197,830.00
Less: accumulated depreciation	(105,194.33)	0.00	(105,194.33)
Total noncurrent assets	92,635.67	0.00	92,635.67
Total assets	\$ 343,776.02	\$ 275,714.07	\$ 619,490.09
LIABILITIES:			
Current liabilities:			
Interfund accounts payable	\$ 23,856.83	\$ 32,134.38	\$ 55,991.21
Accounts payable	5,680.83	1,996.60	7,677.43
Unearned revenue	1,925.23	51,216.97	53,142.20
Total current liabilities	31,462.89	85,347.95	116,810.84
Total liabilities	31,462.89	85,347.95	116,810.84
NET POSITION:			
Net investment in capital assets	92,635.67	0.00	92,635.67
Unrestricted	219,677.46	190,366.12	410,043.58
Total net position	\$ 312,313.13	\$ 190,366.12	\$ 502,679.25

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Food Service	Beyond The Bell	Total
OPERATING REVENUES:			
Charges for services:			
Daily sales-reimbursable programs:			
School lunch program	\$ 243,425.50	\$ 0.00	\$ 243,425.50
Daily sales non-reimbursable programs	125,234.42	0.00	125,234.42
Daily sales adult	14,114.93	0.00	14,114.93
Snack sales - beyond the bell program	20,477.53	0.00	20,477.53
Program fees	0.00	414,295.67	414,295.67
Total operating revenues	<u>403,252.38</u>	<u>414,295.67</u>	<u>817,548.05</u>
OPERATING EXPENSES:			
Cost of sales:			
Reimbursable programs	245,728.05	0.00	245,728.05
Salaries and employee benefits	231,298.76	308,587.68	539,886.44
Supplies	0.00	26,391.04	26,391.04
Maintenance	8,417.43	15,000.00	23,417.43
Purchased services	600.00	0.00	600.00
Programs and related transportation	0.00	15,100.30	15,100.30
Depreciation	3,194.33		3,194.33
Miscellaneous	13,784.38	2,973.77	16,758.15
Total operating expenses	<u>503,022.95</u>	<u>368,052.79</u>	<u>871,075.74</u>
Operating income (loss)	<u>(99,770.57)</u>	<u>46,242.88</u>	<u>(53,527.69)</u>
NONOPERATING REVENUES (expenses):			
State sources:			
State school lunch program	5,149.49	0.00	5,149.49
Clean energy grant	55,125.59	0.00	55,125.59
Federal sources:			
National school lunch program	91,085.18	0.00	91,085.18
Food distribution program	32,070.54	0.00	32,070.54
Supply chain assistance	42,702.32	0.00	42,702.32
Interest revenue	965.71	0.00	965.71
Miscellaneous	2,261.09	0.00	2,261.09
Total nonoperating revenues (expenses)	<u>229,359.92</u>	<u>0.00</u>	<u>229,359.92</u>
Income (loss) before other financing sources (uses) of funds	129,589.35	46,242.88	175,832.23
OTHER FINANCING SOURCES (USES) OF FUNDS:			
Operating transfer out	<u>(42,721.95)</u>	<u>0.00</u>	<u>(42,721.95)</u>
Income (loss)	86,867.40	46,242.88	133,110.28
Total net position - beginning	<u>225,445.73</u>	<u>144,123.24</u>	<u>369,568.97</u>
Total net position - ending	<u>\$ 312,313.13</u>	<u>\$ 190,366.12</u>	<u>\$ 502,679.25</u>

The accompanying notes to financial statements are an integral part of this statement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Food Service	Beyond The Bell	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 396,078.66	\$ 441,151.55	\$ 837,230.21
Payments for employees and employee benefits	(231,439.93)	(308,326.13)	(539,766.06)
Payments to suppliers	(235,369.28)	(66,764.84)	(302,134.12)
Net cash provided by (used for) operating activities	(70,730.55)	66,060.58	(4,669.97)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Purchase of equipment	(95,830.00)	0.00	(95,830.00)
Net cash provided by capital financing activities	(95,830.00)	0.00	(95,830.00)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
State sources	60,862.36	0.00	60,862.36
Federal sources	164,190.84	0.00	164,190.84
Operating transfer out	(42,721.95)	0.00	(42,721.95)
Net cash provided by noncapital financing activities	182,331.25	0.00	182,331.25
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	965.71	0.00	965.71
Miscellaneous	2,261.09	0.00	2,261.09
Net cash provided by investing activities	3,226.80	0.00	3,226.80
Net increase (decrease) in cash and cash equivalents	18,997.50	66,060.58	180,888.08
Balances - beginning of year	206,310.02	209,653.49	415,963.51
Balances - end of year	\$ 225,307.52	\$ 275,714.07	\$ 596,851.59
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (99,770.57)	\$ 46,242.88	\$ (53,527.69)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Food distribution program	32,070.54	0.00	32,070.54
Depreciation expense	3,194.33	0.00	3,194.33
Change in assets and liabilities:			
(Increase)/decrease in other accounts receivable	1,296.33	0.00	1,296.33
(Increase)/decrease in inventory	(2,642.76)	0.00	(2,642.76)
Increase/(decrease) in unearned revenue	(5,612.58)	29,241.54	23,628.96
Increase/(decrease) in accounts payable	734.16	(9,423.84)	(8,689.68)
Total adjustments	29,040.02	19,817.70	48,857.72
Net cash provided by (used for) operating activities	\$ (70,730.55)	\$ 66,060.58	\$ (4,669.97)

The accompanying notes to financial statements are an integral part of this statement.

Notes To The Financial Statements

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of East Greenwich Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity/Component Units

The East Greenwich Township School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board is comprised of 9 members elected to three-year terms. The purpose of the District is to educate students in grades K - 6. The District had an approximate enrollment at June 30, 2023 of 1,275 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the District over which the Board exercises operating control.

B. Government-Wide and Fund Financial Statements

The District's basic financial statements consist of government-wide statements and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the District to not allocate indirect expenses to function in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Gloucester County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

Governmental Funds

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which 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.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Governmental Funds (Concluded)

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Proprietary Funds

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The District's enterprise funds are comprised of the food service fund and the before/after school program.

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets/Budgetary Control (Concluded)

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 payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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 accounting, as presented in the general fund budgetary comparison schedule 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 balances - 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 the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased at stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

G. Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

H. Tuition Receivable

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

I. Tuition Payable

Tuition charges for the fiscal years 2022-23 and 2021-22 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023. The District had no prepaid expenses for the fiscal year ended June 30, 2023.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (non-allocation method). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

K. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables (internal balances) represent amounts that are owed, other than charges for goods and services rendered to/from a particular fund within the District and that are due within one year. These amounts are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

L. Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

- Furniture, fixtures, and equipment - 3-20 years
- Buildings and improvements - 20-50 years
- Land improvements - 10-50 years
- Software - 5-7 years

The District does not possess any infrastructure assets.

M. Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflow of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans and post-employment benefit plans.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. 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 measurable and the District is eligible to realize the revenue.

O. Accrued Salaries and Wages

Certain District employees who provide services to the District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

P. Compensated Absences

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

The District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Q. 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, governmental 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Net Position

Net position represents the difference between the 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 the acquisition, construction, or improvements of those assets.

Restricted

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or law or regulations of other governments.

Unrestricted

Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

S. Fund Balance

The District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The District's classifications, and policies for determining such classifications, are as follows:

Nonspendable

The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted

The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed

The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, which, for the District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Fund Balance (Concluded)

Assigned

The assigned fund balance classification includes amounts that are constrained by the District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Unassigned

The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the District to spend restricted fund balance first. Moreover, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

T. 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.

U. 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 assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

V. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The District implemented the following GASB Statement for the fiscal year ended June 30, 2023:

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statement that will become effective for the District in future years:

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for reporting periods beginning after December 15, 2023. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the District.

NOTE 2 - CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. Although the District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the District relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized in the schedule below.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 - CASH AND CASH EQUIVALENTS (Concluded)

As of June 30, 2023, the District's bank balances of \$4,429,648.82 were exposed to custodial credit risk as follows:

Insurance	\$ 250,000.00
Uninsured and collateralized with securities held by pledging financial institutions	<u>4,179,648.82</u>
	<u>\$ 4,429,648.82</u>

NOTE 3 - CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of \$75,000.00 on March 2, 1999 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 its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (July 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the excess approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning balance, July 1, 2022	\$ 602,522.21
Interest earnings	<u>1,851.71</u>
Ending balance, June 30, 2023	<u>\$ 604,373.92</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects is \$0.00.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year-end for the District's individual major and fiduciary funds, in the aggregate are as follows:

	General Fund	Special Revenue Fund	Enterprise Fund	Total
State	\$ 221,728.90	\$ -	\$ 3,336.35	\$ 225,065.25
Federal	-	62,848.00	189.20	63,037.20
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 221,728.90</u>	<u>\$ 62,848.00</u>	<u>\$ 3,525.55</u>	<u>\$ 288,102.45</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance as of June 30, 2022	Additions	Disposals/ Adjustments	Balance as of June 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 257,000.00	\$ 0.00	\$ 0.00	\$ 257,000.00
Construction in progress	0.00	0.00	0.00	0.00
Total capital assets, not being depreciated	<u>257,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>257,000.00</u>
Capital assets, being depreciated:				
Site and site improvements	770,787.00	265,982.16	0.00	1,036,769.16
Buildings and building improvements	34,910,859.00	652,060.00	0.00	35,562,919.00
Machinery and equipment	835,655.83	12,125.00	67,955.00	779,825.83
Leased assets - equipment	37,885.46	69,500.64	37,885.46	69,500.64
Total at historical cost	<u>36,555,187.29</u>	<u>999,667.80</u>	<u>105,840.46</u>	<u>37,449,014.63</u>
Less accumulated depreciation:				
Site and site improvements	466,604.37	27,703.90	0.00	494,308.27
Buildings and building improvements	15,723,668.57	1,088,410.58	0.00	16,812,079.15
Machinery and equipment	447,771.50	79,951.31	67,955.00	459,767.81
Leased assets - equipment	30,366.10	13,311.08	37,885.46	5,791.72
Total accumulated depreciation	<u>16,668,410.54</u>	<u>1,209,376.87</u>	<u>105,840.46</u>	<u>17,771,946.95</u>
Total capital assets, being depreciated, net	<u>19,886,776.75</u>	<u>(209,709.07)</u>	<u>0.00</u>	<u>19,677,067.68</u>
Governmental activities capital assets, net	<u>\$ 20,143,776.75</u>	<u>\$ (209,709.07)</u>	<u>\$ 0.00</u>	<u>\$ 19,934,067.68</u>
Business-type activities:				
Capital assets, being depreciated:				
Machinery and equipment	\$ 102,000.00	\$ 95,830.00	\$ 0.00	\$ 197,830.00
Less accumulated depreciation	<u>(102,000.00)</u>	<u>3,194.33</u>	<u>0.00</u>	<u>(105,194.33)</u>
Business-type activities capital assets, net	<u>\$ 0.00</u>	<u>\$ 99,024.33</u>	<u>\$ 0.00</u>	<u>\$ 92,635.67</u>
Depreciation expense in the amount of \$1,209,376.87 was charged to governmental functions as follows:				
Unallocated			\$ (1,209,376.87)	
Total depreciation expense			<u>\$ (1,209,376.87)</u>	

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - LONG-TERM DEBT OBLIGATIONS

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the general long-term debt account group:

	Principal Outstanding June 30, 2022	Additions	Reductions	Principal Outstanding June 30, 2023	Amounts Due Within One Year
Construction of addition and renovations to the Jeffrey Clark and Mickle Schools	\$ 11,960,000.00	\$ 0.00	\$ 475,000.00	\$ 11,485,000.00	\$ 550,000.00
Refunding bonds	1,325,000.00	0.00	675,000.00	650,000.00	650,000.00
Net pension liability	2,451,759.00	464,667.00	0.00	2,916,426.00	0.00
Lease liability	3,792.35	69,200.64	9,453.99	63,539.00	17,098.51
SBITA liability	0.00	17,626.29	3,739.61	13,886.68	3,317.23
Compensated absences payable	134,316.19	0.00	36,206.53	98,109.66	0.00
Total	\$ 15,874,867.54	\$ 551,493.93	\$ 1,199,400.13	\$ 15,226,961.34	\$ 1,220,415.74

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences, leases payable, and subscription liabilities are liquidated by the general fund.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - LONG-TERM OBLIGATIONS (Continued)

A. Bonds Payable

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

On January 27, 2004, the District issued \$8,177,000.00 in general obligation bonds at various interest rates for the construction of the addition and renovation to the Jeffrey Clark and the Samuel Mickle Schools. The final maturity of the bonds is in 2013. On June 5, 2012 \$5,475,000.00 in refunding bonds were issued for the 2004 bonds with interest rates ranging from 2% to 5% and mature in 2024. On February 6, 2012, the District issued \$16,097,000.00 in general obligation bonds at interest rates ranging from 2.75% to 3.625% for the construction of the addition and renovation to the Jeffrey Clark and the Samuel Mickle Schools. The final maturity of the bonds is in 2036.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2024	\$ 1,200,000.00	\$ 392,550.00	\$ 1,592,550.00
2025	810,000.00	340,337.50	1,150,337.50
2026	825,000.00	315,812.50	1,140,812.50
2027	825,000.00	291,062.50	1,116,062.50
2028-2032	4,225,000.00	1,075,406.25	5,300,406.25
2033-2036	<u>4,250,000.00</u>	<u>377,825.00</u>	<u>4,627,825.00</u>
	<u>\$12,135,000.00</u>	<u>\$ 2,792,993.75</u>	<u>\$ 14,927,993.75</u>

B. Bonds Authorized But Not Issued

As of June 30, 2023, the District had no authorized but not issued bonds.

C. Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid.

D. Lease Liability

The District entered into an agreement to lease copier machines. The lease agreement qualifies as other than short-term leases under GASB 87, and therefore, has been recorded at present value of future minimum lease payments as of the date of their inception.

The future minimum lease payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2024	\$ 17,098.51	\$ 557.17	\$ 17,655.68
2025	17,270.28	385.39	17,655.67
2026	17,443.79	211.90	17,655.69
2027	<u>11,726.42</u>	<u>44.02</u>	<u>11,770.44</u>
	<u>\$ 63,539.00</u>	<u>\$ 1,198.48</u>	<u>\$ 64,737.48</u>

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - LONG-TERM OBLIGATIONS (Concluded)

E. SBITA Liability

The District entered into a subscription based information technology arrangement (SBITAs) for a software subscription service. The SBITA qualifies as other than short-term arrangements under GASB 96, and therefore, has been recorded at present value of future minimum lease payments as of the date of its inception.

On July 1, 2022, the District entered into a SBITA for Social Studies Curriculum in the amount of \$17,626.29. The SBITA was issued at an interest rate of 3.00% and expires on July 1, 2026.

The future minimum payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2023	\$ 3,317.23	\$ 422.38	\$ 3,739.61
2024	3,418.13	321.48	3,739.61
2025	3,522.10	217.51	3,739.61
2026	<u>3,629.22</u>	<u>110.39</u>	<u>3,739.61</u>
	<u>\$ 13,886.68</u>	<u>\$ 1,071.76</u>	<u>\$ 14,958.44</u>

F. Interest Expense

No interest expense was capitalized during the fiscal year ending June 30, 2023. Interest expense totaling \$440,393.75 was paid by the debt service fund for the fiscal year ending June 30, 2023.

G. Net Pension Liability

The District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

H. Post Employment Benefits

The District's annual required contribution is budgeted and paid from the general fund on an annual basis.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - RIGHT TO USE ASSETS

The District's has recorded right to use lease assets as a result of implementing GASB 87. The assets are right to use assets for leased copier machines. The related leases are discussed in Note 6, Long-Term Obligations. The right to use lease asset is amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the year ended June 30, 2023 is summarized as follows:

	Balance July 1, 2022	Increase	Decrease	Balance June 30, 2023
Right to use assets:				
Three copiers	\$ -	\$ 69,200.64	\$ -	\$ 69,200.64
Three copiers	<u>37,885.46</u>	<u>-</u>	<u>37,885.46</u>	<u>-</u>
	<u>37,885.46</u>	<u>69,200.64</u>	<u>37,885.46</u>	<u>69,200.64</u>
Less accumulated depreciation:				
Three copiers	-	5,791.72	-	5,791.72
Three copiers	<u>30,366.10</u>	<u>7,519.36</u>	<u>37,885.46</u>	<u>-</u>
	<u>30,366.10</u>	<u>13,311.08</u>	<u>37,885.46</u>	<u>5,791.72</u>
	<u>\$ 7,519.36</u>	<u>\$ 55,889.56</u>	<u>\$ -</u>	<u>\$ 63,408.92</u>

NOTE 8 - INTANGIBLE ASSETS (SBITAs)

The District's has recorded intangible assets as a result of implementing GASB 96. The asset is a subscription based information technology arrangement. The related liability is discuss in Note 6, Long-Term Obligations. The intangible asset is amortized on a straight-line basis over the term of the related subscription arrangement.

Intangible asset activity for the year ended June 30, 2023 is summarized as follows:

	Balance July 1, 2022	Increase	Decrease	Balance June 30, 2023
Intangible asset (SBITAs):				
Social Studies curriculum	\$ -	\$ 17,626.29	\$ -	\$ 17,626.29
	<u>-</u>	<u>17,626.29</u>	<u>-</u>	<u>17,626.29</u>
Less accumulated depreciation:				
Social Studies curriculum	-	3,525.26	-	3,525.26
	<u>-</u>	<u>3,525.26</u>	<u>-</u>	<u>3,525.26</u>
	<u>\$ -</u>	<u>\$ 14,101.03</u>	<u>\$ -</u>	<u>\$ 14,101.03</u>

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS

A substantial number of the District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), which are administered by the New Jersey Division of Pensions and Benefits (Division). In addition, several District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial). Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements, required supplementary information, and detailed information about the TPAF and PERS plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
Post Office Box 295
Trenton, New Jersey 08625-0295
<http://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information About the Pension Plans

Plan Descriptions

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability, and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the District, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS Board of Trustees is primarily responsible for the administration of the Plan.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - PENSION PLANS (Continued)

General Information About the Pension Plans (Continued)

Plan Descriptions (Concluded)

Defined Contribution Retirement Program

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, Chapter 92, P.L. 2007, and Chapter 103, and expanded under the provisions of P.L. 2008, Chapter 89 and P.L. 2010, Chapter 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401 (a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

Teachers' Pension and Annuity Fund

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 10 years of service. Members are always fully vested for their own contributions and, after 3 years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

Tier 1 - Members who were enrolled prior to July 1, 2007

Tier 2 - Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008

Tier 3 - Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010

Tier 4 - Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011

Tier 5 - Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more 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.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Continued)

General Information About the Pension Plans (Continued)

Vesting and Benefit Provisions (Concluded)

Public Employees' Retirement System

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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 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.

Defined Contribution Retirement Program

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund

The contribution policy 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 member contribution rate was 7.5% in State fiscal year 2022. The State's pension contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Continued)

General Information About the Pension Plans (Continued)

Contributions (Concluded)

Teachers' Pension and Annuity Fund (Concluded)

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

The District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 23.43% of the District's covered payroll, of which 0.00% of payroll was required from the District and 100.00% of payroll was required from the State of New Jersey. The District was not required to contribute to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the District, to the pension plan for the fiscal year ended June 30, 2023 was \$3,130,880.00, and was paid by April 1, 2023. District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$774,194.00.

Public Employees' Retirement System

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, Chapter 78, the member contribution rate was 7.5% in State fiscal year 2022. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislation, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. The amounts contributed on behalf of the local participating employers under this legislation is considered to be *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 18.99% of the District's covered payroll. This amount was actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - PENSION PLANS (Continued)

Contributions (Concluded)

Public Employees' Retirement System (Concluded)

Based on the most recent PERS measurement date of June 30, 2022, the District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023 was \$272,290.00, and was paid by April 1, 2023. District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$109,183.91.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2023 was 0.36% of the District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the District, to the pension plan for the fiscal year ended June 30, 2023 was \$6,136.00.

Defined Contribution Retirement Program

The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, Chapter 92 and P.L. 2007, Chapter 103, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the District contributes 3.0% of the employees base salary, for each pay period.

For the fiscal year ended June 30, 2023, employee contributions totaled \$58,071.53, and the District recognized pension expense, which equaled the required contributions, of \$31,676.00. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Teachers' Pension and Annuity Fund

At June 30, 2023, the District was not required to report a liability for its proportionate share of the net pension liability because of the 100.00% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the District is as follows:

District's proportionate share of net pension liability	\$ -
State of New Jersey's proportionate share of net pension liability associated with the District	<u>39,964,766.00</u>
	<u>\$ 39,964,766.00</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. For the June 30, 2022 measurement date, the District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2022 measurement date, the District's proportion was 0.00% due to the 100.00% special funding situation of the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the District was 0.0774594799%, which was an increase of 0.0018176837% from its proportion measured as of June 30, 2021.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Teachers' Pension and Annuity Fund (Concluded)

For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the District, calculated by the plan as of the June 30, 2022 measurement date, was \$3,130,880.00. This on-behalf expense has been recognized by the District in the government-wide financial statements.

Public Employees' Retirement System

At June 30, 2023, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The District reported a liability of \$2,916,426.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the District's proportion was 0.0193251165% which was a decrease of 0.0013709506% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized pension (benefit) expense of \$576,016.00, in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2022 measurement date.

For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the District, under Chapter 133, P.L. 2001, calculated by the Plan as of June 30, 2022 measurement date, was \$6,136.00. This on-behalf expense has been recognized by the District in the government-wide financial statements.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow Of Resources	Deferred Inflow Of Resources
Differences between expected and actual experience	\$ 21,049.00	\$ 18,563.00
Changes of assumptions	9,036.00	436,704.00
Net difference between projected and actual earnings on pension plan investments	120,708.00	-
Changes in proportion and differences between district contributions and proportionate share of contributions	119,535.00	273,339.00
District contributions subsequent to the measurement date	<u>272,290.00</u>	<u>-</u>
	<u>\$ 542,618.00</u>	<u>\$ 728,606.00</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees' Retirement System (Continued)

Deferred outflows of resources in the amount of \$272,290.00 will be included as a reduction of the net pension liability in the subsequent fiscal year ended June 30, 2024.

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:

Fiscal Year Ending June 30,	PERS
2024	\$ (178,553.00)
2025	(127,486.00)
2026	(86,924.00)
2027	(65,341.00)
2028	25.00
Thereafter	-
	<u>\$ (458,278.00)</u>

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

	Deferred Outflow Of Resources	Deferred Inflow Of Resources
Differences between expected and actual experience:		
Year of pension plan deferral:		
June 30, 2014	-	-
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
June 30, 2022	-	5.04
Changes of assumptions:		
Year of pension plan deferral:		
June 30, 2014	6.44	-
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	-
June 30, 2022	-	5.04

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Public Employees' Retirement System (Concluded)

	<u>Deferred Outflow Of Resources</u>	<u>Deferred Inflow Of Resources</u>
Net difference between projected and actual earnings on pension plan investments:		
Year of pension plan deferral:		
June 30, 2014	-	-
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	-
June 30, 2022	5.00	-
Changes in proportion and differences between District contributions and proportionate share of contributions:		
Year of pension plan deferral:		
June 30, 2014	6.44	6.44
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
June 30, 2022	5.04	5.04

Actuarial Assumptions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liabilities were calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary increases:		
	2.75% - 5.65%	2.75% - 6.55%
	based on years of service	based on years of service

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions (Continued)

	<u>TPAF</u>	<u>PERS</u>
Investment rate of return	7.00%	7.00%
Period of actuarial experience study upon which actuarial assumptions were based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

For TPAF, pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

For PERS, 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.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions (Concluded)

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2022 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of returns for each major asset class included in target asset allocation as of June 30, 2022, the plans' measurement dates, are summarized in the following table:

Asset Class	TPAF		PERS	
	Target Allocation	Long-Term Expected Real Rate Of Return	Target Allocation	Long-Term Expected Real Rate Of Return
U.S. equity	27.00%	8.12%	27.00%	8.12%
None-U.S. developed markets equity	13.50%	8.37%	13.50%	8.37%
Emerging market equity	5.50%	10.33%	5.50%	10.33%
Private equity	13.00%	11.80%	13.00%	11.80%
Real estate	8.00%	11.19%	8.00%	11.19%
Real assets	3.00%	7.60%	3.00%	7.60%
High yield	4.00%	4.95%	4.00%	4.95%
Private credit	8.00%	8.10%	8.00%	8.10%
Investment grade credit	7.00%	3.38%	7.00%	3.38%
Cash equivalents	4.00%	1.75%	4.00%	1.75%
U.S. treasuries	4.00%	1.75%	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%	3.00%	4.91%
	<u>100.00%</u>		<u>100.00%</u>	

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Continued)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount Rate

Teachers' Pension and Annuity Fund

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

Public Employees' Retirement System

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity would be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Teachers' Pension and Annuity Fund

As indicated above, TPAF has a special funding situation where the State pays 100% of the District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the plan's measurement date, attributable to the District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2022, the plan's measurement date, attributable to the District, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1.00% lower or 1.00% higher than the current rate used is as follows:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
District's proportionate share of the net position liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability	<u>46,934,168.00</u>	<u>39,964,766.00</u>	<u>34,211,187.00</u>
	<u>\$46,934,168.00</u>	<u>\$39,964,766.00</u>	<u>\$ 34,211,187.00</u>

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - PENSION PLANS (Concluded)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Concluded)

Sensitivity of District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Concluded)

Public Employees' Retirement System

The following presents the District's proportionate share of the net pension liability at June 30, 2022, the pension plan's measurement date, calculated using a discount rate of 7.00%, as well as what the District's proportionate share of the net position liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rates used:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
District's proportionate share of the net pension liability	<u>\$ 3,778,484.00</u>	<u>\$ 2,941,125.00</u>	<u>\$ 2,228,499.00</u>

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 respective fiduciary net position of the TPAF and PERS additions to/deductions from TPAF and PERS's respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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.

NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information About the OPEB Plan

Plan Description and Benefits Provided

State Health Benefit Local Education Retired Employees Plan

The State Health Benefit Local Education Retired Employees Plan (the OPEB Plan) is a multiple-employer defined benefit OPEB plan, with a special funding situation, 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 Post-Employment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the Division) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publically available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
Post Office Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

General Information About the OPEB Plan (Concluded)

Contributions

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the State) 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 retirees on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirements 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 post-retirement 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.

Employees Covered by Benefit Terms

At June 30, 2022, the plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members:

Active plan members	213,148
Inactive plan members or beneficiaries currently receiving benefits	151,669
Inactive plan members entitled to but not yet receiving benefit payments	<u>-</u>
	<u>364,817</u>

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS, and ABP participants. The District's proportionate share percentage determined under Paragraphs 193 and 203 through 205 of GASB Statement No. 75 is 0.00%. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the District as of June 30, 2023 was \$35,636,779.00. Since the OPEB liability associated with the District is 100% attributable to the State, the OPEB liability will be referred to as the total Non-Employer OPEB Liability.

The total Non-Employer OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. For the June 30, 2022 measurement date, the State's proportionate share of the Non-Employer OPEB Plan Liability associated with the District was 0.000703638120% which was a decrease of 0.000021280841% from its proportion measured as of June 30, 2021.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Total Non-Employer OPEB Liability (Concluded)

Actuarial Assumptions and Other Inputs

The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2021, which was rolled forward to June 30, 2022, used the following actuarial assumptions, applied to all periods in the measurement:

Salary increases -

	<u>TPAF/ ABP*</u>	<u>PERS*</u>	<u>PFRS</u>
Through 2027	2.75% - 4.25%	2.75% - 6.55%	3.25% - 16.25%

*Based on years of service

Inflation Rate 2.50%.

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

Experience Studies - The actuarial assumptions used in the June 30, 2021 valuation, which was rolled forward to June 30, 2022, were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021, July 1, 2018 - June 30, 2021, and July 1, 2018 - June 30, 2021 for TPAF, PERS, and PFRS, respectively.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026, and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rate for the June 30, 2022 measurement date was 3.54%. 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.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Total Non-Employer OPEB Liability

The table below summarizes the State's proportionate share of the change in the Total Non-Employer OPEB Liability associated with the School District as of June 30, 2023 (measurement dated June 30, 2022):

Balance at June 30, 2022		\$ 43,500,684.00
Changes for the year:		
Service cost	\$ 2,417,284.00	
Interest cost	944,414.00	
Changes in benefit terms	-	
Difference between expected and actual experience	(760,253.00)	
Changes in assumptions	(9,559,887.00)	
Gross benefit payments	(935,470.00)	
Member contributions	<u>30,010.00</u>	
Net changes		<u>(7,863,902.00)</u>
Balance at June 30, 2023		<u>\$ 35,636,782.00</u>

Differences between expected and actual experience reflect an increase in liability for the measurement period June 30, 2021 to June 30, 2022 due to changes in the census and premium and claims experience.

Changes in assumptions reflect a decrease in the liability for the measurement period from June 30, 2021 to June 30, 2022 due to the combined effect of the discount rate change; and changes in the trend, and experience study.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2022, associated with the District, using a discount rate of 3.54%, as well as using a discount rate that is 1.00% lower or 1.00% higher than the current rate used is as follows:

	1.00% Decrease (2.54%)	Current Discount Rate (3.54%)	1.00% Increase (4.54%)
State of New Jersey's proportionate share of the Total Non-Employer OPEB Liability associated with the District	<u>\$41,887,288.60</u>	<u>\$35,636,782.00</u>	<u>\$30,627,313.45</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Concluded)

Changes in the Total Non-Employer OPEB Liability (Concluded)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2022, associated with the District, using healthcare cost trend rates that are 1.00% lower or 1.00% higher than the current healthcare cost trend rate used is as follows:

	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1.00% Increase</u>
State of New Jersey's proportionate share of the Total Non-Employer OPEB Liability associated with the District	<u>\$29,455,978.54</u>	<u>\$35,636,782.00</u>	<u>\$43,755,642.67</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Non-Employer OPEB Liability

For the fiscal year ended June 30, 2023, the District recognized \$1,811,643.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's Expense, associated with the District. This expense and revenue was based on the OPEB Plan's June 30, 2022 measurement date.

In accordance with GASB Statement No. 75, the District's proportionate share of the OPEB Liability is \$0.00. As such, there is no recognition of the allocation of proportionate share of deferred outflows or resources and deferred inflows of resources by the District. However, at June 30, 2023, the State's proportionate share of the total Non-Employer OPEB Liability's deferred outflows of resources and deferred inflows of resources, associated with the District, are as follows:

	<u>Deferred Outflow Of Resources</u>	<u>Deferred Inflow Of Resources</u>
Changes in proportion	\$ -	\$ -
Difference between expected and actual experience	6,362,579.00	(10,880,322.00)
Changes in assumptions or other inputs	<u>6,167,825.00</u>	<u>(12,128,814.00)</u>
	<u>\$12,530,404.00</u>	<u>\$ (23,009,136.00)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability, associated with the District, will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 1,771,161.00
2025	1,771,161.00
2026	1,771,161.00
2027	1,530,729.00
2028	875,291.00
Thereafter	<u>2,759,228.00</u>
	<u>\$ 10,478,731.00</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 11 - ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, post-retirement costs, and long-term disability costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs, post-retirement costs, and long-term disability costs were \$3,130,880.00, \$822,475.00, and \$1,722.00, respectively.

NOTE 12 - COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the proprietary fund types.

NOTE 13 - DEFERRED COMPENSATION

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

Equitable
Lincoln

NOTE 14 - RISK MANAGEMENT

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

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

The District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDJIF), public entity risk pool. Coverage under this joint plan offers workers' compensation, boiler and machinery, automobile liability, general liability, property, crime, school board legal liability, and pollution legal liability coverage. The District is assessed for the contributions for those funds and is responsible for any reserve deficiencies. No contingency provision has been made in these financial statements as no deficiencies occurred as of June 30, 2023 for the joint insurance pool. As of June 30, 2022, the fund had a balance of \$6,814,753.00 of which the District's share is \$110,786.00.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 14 - RISK MANAGEMENT (Concluded)

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ -	\$ 32,351.09	\$ 8,486.04	\$ 193,188.37
2021-2022	-	31,205.89	(70,762.71)	169,323.32
2020-2021	117.26	29,321.97	80,383.07	67,354.72

NOTE 15 - FLEXIBLE SPENDING PROGRAM

The District offers its employees a flexible spending program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses, and other medical expenses not covered by other insurance. The District, who is the plan administrator, has contracted with American Family Life Assurance Company (AFLAC) to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to AFLAC for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the District.

The following is a summary of District contributions, employee contributions, reimbursements to the plan participants for benefits paid, and the ending balance of the District's fiduciary fund for the current and prior two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ -	\$ 40,378.22	\$ 40,930.93	\$ 808.31
2021-2022	\$ -	44,199.74	54,562.05	1,361.02
2020-2021	-	47,930.30	48,290.58	11,723.33

NOTE 16 - INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances exist at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General fund:		
Flexible spending account	\$ 17,828.00	\$ -
Payroll and agency fund	88,589.54	-
Enterprise fund - cafeteria	23,856.83	-
Enterprise fund - beyond the bell	30,389.41	-
Unemployment trust fund:		
Payroll and agency fund	2,880.53	-

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 16 - INTERFUND RECEIVABLES AND PAYABLES (Concluded)

Fund	Interfund Receivable	Interfund Payable
Flexible spending account:		
General fund	\$ -	\$ 17,828.20
Payroll and agency fund:		
General fund	-	88,589.54
Unemployment trust fund	-	2,880.53
Enterprise fund - cafeteria:		
General fund	-	23,856.83
Beyond the bell	1,744.97	-
Enterprise fund - beyond the bell:		
General fund	-	30,389.41
Beyond the bell	-	1,744.97
	<u>\$ 165,289.48</u>	<u>\$ 165,289.48</u>

All interfunds were created as a result of short-term borrowings to cover cash flow needs in the various funds, as well as 2023's interest earnings. These interfunds are expected to be liquidated within the next fiscal cycle. The fund financial interfunds were eliminated in the governmental-wide statements.

NOTE 17 - INVENTORY

Inventory in the food service fund at June 30, 2023, consisted of the following:

Food and commodities	\$ 15,552.85
Supplies	<u>5,009.46</u>
	<u>\$ 20,562.31</u>

The value of federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 18 - FUND BALANCE APPROPRIATED

The District has classified its fund balances with the following hierarchy:

Nonspendable

The District does not have any nonspendable funds.

Spendable

The District has classified the spendable fund balances as Restricted, Assigned, and Unassigned and considered each to have been spent when expenditures are incurred. The District currently has no funds classified as Committed.

Restricted

Capital reserve - As of June 30, 2023, the balance in the capital reserve account is \$604,373.92 which is restricted for future capital outlay expenditures for capital projects in the District's approved Long Range Facilities Plan.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 - FUND BALANCE APPROPRIATED (Concluded)

Maintenance reserve - As of June 30, 2023, the balance in the maintenance reserve account is \$463,468.18. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (s1701).

Emergency reserve - As of June 30, 2023, the balance in the emergency reserve account is \$71,014.14.

Excess surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance as of June 30, 2023 is \$2,286,378.32. Of this, \$874,520.06 of excess fund balance, which was generated during 2021-22, has been restricted and designated for utilization in the 2023-24 budget.

Unemployment compensation - In accordance with N.J.S.A. 43:21-7.3(g), the District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see Note 13). As a result, there exists at June 30, 2023 a restricted fund balance from employer contributions in the amount of \$193,188.37 for future unemployment claims.

Debt service fund - The debt service fund restricted fund balance at June 30, 2023 was \$1.38.

Assigned

Other purposes - As of June 30, 2023, the District had \$147,583.33 of encumbrances outstanding for purchase orders and contracts signed by the District, but not completed, as of the close of the fiscal year.

Unassigned

Special revenue fund - In accordance with N.J.A.C. 6A:23A-16.12C, each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2023 is \$20,313.98.

This is the remainder of the District's equity in the governmental fund types. The total balance is (\$115,465.75) as of June 30, 2023.

NOTE 19 - CALCULATION OF EXCESS SURPLUS

The designation for reserved fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve 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 year's budget. The excess fund balance at June 30, 2023 is \$874,520.06.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 20 - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 5, 2023, the date which the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to our attention of the District that would require disclosure.

Required Supplementary Information - Part II

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 13,072,869.00	\$ 0.00	\$ 13,072,869.00	\$ 13,072,869.00	\$ 0.00
Tuition	15,000.00	0.00	15,000.00	25,125.00	10,125.00
Interest earned on capital reserve	0.00	0.00	0.00	1,851.71	1,851.71
Interest earned on emergency reserve	0.00	0.00	0.00	194.92	194.92
Interest earned on maintenance reserve	0.00	0.00	0.00	1,461.88	1,461.88
Miscellaneous	5,000.00	0.00	5,000.00	41,407.64	36,407.64
Total local sources	13,092,869.00	0.00	13,092,869.00	13,142,910.15	50,041.15
State sources:					
Categorical special education aid	1,082,596.00	0.00	1,082,596.00	1,082,596.00	0.00
Categorical transportation aid	593,363.00	0.00	593,363.00	593,363.00	0.00
Equalization aid	5,434,155.00	0.00	5,434,155.00	5,434,155.00	0.00
Categorical security aid	106,343.00	0.00	106,343.00	106,343.00	0.00
Extraordinary aid	0.00	0.00	0.00	125,682.00	125,682.00
Non public transportation aid	0.00	0.00	0.00	31,824.00	31,824.00
On-behalf T.P.A.F. pension					
contributions (non-budgeted)	0.00	0.00	0.00	3,130,880.00	3,130,880.00
On-behalf T.P.A.F. post retirement medical					
(non-budgeted)	0.00	0.00	0.00	822,475.00	822,475.00
On-behalf T.P.A.F. long term disability					
insurance (non-budgeted)	0.00	0.00	0.00	1,722.00	1,722.00
Reimbursed T.P.A.F. social security					
contributions (non-budgeted)	0.00	0.00	0.00	664,280.30	664,280.30
Total state sources	7,216,457.00	0.00	7,216,457.00	11,993,320.30	4,776,863.30
Federal sources:					
SEMI Reimbursement	0.00	0.00	0.00	7,720.48	7,720.48
Total revenues	20,309,326.00	0.00	20,309,326.00	25,143,950.93	4,834,624.93

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular programs - instruction:					
Salaries of teachers:					
Kindergarten	\$ 891,201.00	\$ (72,802.40)	\$ 818,398.60	\$ 797,809.28	\$ 20,589.32
Grades 1-5	3,915,488.00	(170,041.39)	3,745,446.61	3,728,028.39	17,418.22
Grades 6-8	1,041,115.00	(36,474.87)	1,004,640.13	979,750.21	24,889.92
Home instruction:					
Salaries of teachers	3,000.00	0.00	3,000.00	0.00	3,000.00
Purchased professional/educational services	10,000.00	0.00	10,000.00	7,254.00	2,746.00
Regular programs - undistributed instruction:					
Purchased professional/educational services	15,000.00	(2,000.00)	13,000.00	9,931.34	3,068.66
Purchased technical services	36,000.00	4,673.47	40,673.47	29,017.78	11,655.69
Rentals	60,000.00	(2,205.56)	57,794.44	56,652.70	1,141.74
Other purchased services	110,000.00	1,089.58	111,089.58	97,409.59	13,679.99
General supplies	408,270.00	57,173.11	465,443.11	421,844.39	43,598.72
Textbooks	8,000.00	(7,750.00)	250.00	0.00	250.00
Other objects	500.00	0.00	500.00	0.00	500.00
Total regular programs	6,498,574.00	(228,338.06)	6,270,235.94	6,127,697.68	142,538.26
Special education:					
Learning and/or language disabilities:					
Salaries of teachers	107,513.00	49,137.00	156,650.00	155,363.51	1,286.49
Other salaries for instruction	105,686.00	(1,000.00)	104,686.00	92,868.13	11,817.87
General supplies	6,000.00	0.00	6,000.00	3,721.05	2,278.95
Textbooks	500.00	0.00	500.00	0.00	500.00
Total learning and/or language disabilities	219,699.00	48,137.00	267,836.00	251,952.69	15,883.31

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Multiple disabilities:					
Salaries of teachers	\$ 263,272.00	\$ (22,581.01)	\$ 240,690.99	\$ 240,268.33	\$ 422.66
Other salaries for instruction	30,075.00	88,973.70	119,048.70	119,048.70	0.00
General supplies	12,500.00	(8,048.70)	4,451.30	2,488.04	1,963.26
Textbooks	1,000.00	0.00	1,000.00	0.00	1,000.00
Total multiple disabilities	306,847.00	58,343.99	365,190.99	361,805.07	3,385.92
Resource room/resource center:					
Salaries of teachers	1,015,764.00	(167,982.56)	847,781.44	847,681.44	100.00
Other salaries for instruction	233,589.00	(87,811.43)	145,777.57	109,635.14	36,142.43
General supplies	10,000.00	0.00	10,000.00	5,732.41	4,267.59
Total resource room/resource center	1,259,353.00	(255,793.99)	1,003,559.01	963,048.99	40,510.02
Preschool disabilities - part-time:					
Salaries of teachers	151,116.00	76,498.29	227,614.29	215,415.29	12,199.00
Other salaries for instruction	69,711.00	5,563.38	75,274.38	58,829.06	16,445.32
Purchased professional/educational services	525.00	2,211.33	2,736.33	2,736.33	0.00
General supplies	4,500.00	(8.70)	4,491.30	3,225.14	1,266.16
Total preschool disabilities - part-time	225,852.00	84,264.30	310,116.30	280,205.82	29,910.48
Preschool disabilities - full-time:					
Salaries of teachers	125,136.00	(9,022.75)	116,113.25	116,113.25	0.00
Other salaries for instruction	67,105.00	(19,224.54)	47,880.46	47,280.46	600.00
General supplies	2,500.00	8.70	2,508.70	2,490.35	18.35
	194,741.00	(28,238.59)	166,502.41	165,884.06	618.35

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Total special education	\$ 2,206,492.00	\$ (93,287.29)	\$ 2,113,204.71	\$ 2,022,896.63	\$ 90,308.08
Basic skills/remedial - instruction:					
Salaries of teachers	741,473.00	104,277.00	845,750.00	798,647.03	47,102.97
General supplies	6,000.00	0.00	6,000.00	2,971.90	3,028.10
Total basic skills/remedial - instruction	747,473.00	104,277.00	851,750.00	801,618.93	50,131.07
Community service programs/operations:					
Supplies and materials	2,000.00	0.00	2,000.00	0.00	2,000.00
Total community service programs/operations	2,000.00	0.00	2,000.00	0.00	2,000.00
Total instruction	9,454,539.00	(217,348.35)	9,237,190.65	8,952,213.24	284,977.41
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state - regular	23,032.00	(2,077.00)	20,955.00	20,955.00	0.00
Tuition to county special services and regional day schools	315,092.00	(192,883.00)	122,209.00	122,199.00	10.00
Tuition to private schools for the handicapped - special within the state	169,431.00	225,032.90	394,463.90	390,023.90	4,440.00
Tuition to private schools for the handicapped - special outside the state	0.00	0.00	0.00	0.00	0.00
Total instruction	507,555.00	30,072.90	537,627.90	533,177.90	4,450.00

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Health services:					
Salaries	\$ 203,859.00	\$ (4,057.00)	\$ 199,802.00	\$ 191,826.86	\$ 7,975.14
Purchased professional and technical services	2,000.00	4,057.00	6,057.00	6,057.00	0.00
Travel	100.00	0.00	100.00	0.00	100.00
Supplies and materials	9,000.00	0.00	9,000.00	5,623.88	3,376.12
Other objects	900.00	0.00	900.00	0.00	900.00
Total health services	215,859.00	0.00	215,859.00	203,507.74	12,351.26
Speech, OT, PT and related services:					
Salaries	584,836.00	(64,500.00)	520,336.00	520,257.38	78.62
Purchased professional/educational services	60,000.00	(40,000.00)	20,000.00	8,862.06	11,137.94
Supplies and materials	5,500.00	0.00	5,500.00	4,945.23	554.77
Other objects	500.00	0.00	500.00	0.00	500.00
Total speech, OT, PT and related services	650,836.00	(104,500.00)	546,336.00	534,064.67	12,271.33
Other support services - extraordinary services:					
Other salaries for instruction	243,986.00	35,185.34	279,171.34	279,170.34	1.00
Purchased professional educational services	275,000.00	(59,759.78)	215,240.22	189,517.81	25,722.41
Supplies and materials	8,500.00	(7,009.10)	1,490.90	712.90	778.00
Total other support services - extraordinary services	527,486.00	(31,583.54)	495,902.46	469,401.05	26,501.41

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Guidance:					
Salaries of other professional staff	\$ 229,954.00	\$ 0.00	\$ 229,954.00	\$ 196,552.10	\$ 33,401.90
Purchased professional educational services	3,000.00	0.00	3,000.00	435.00	2,565.00
Other purchased professional and technical services	9,250.00	0.00	9,250.00	0.00	9,250.00
Supplies and materials	16,500.00	0.00	16,500.00	383.84	16,116.16
Total guidance	258,704.00	0.00	258,704.00	197,370.94	61,333.06
Child study teams:					
Salaries of other professional staff	384,402.00	115,029.85	499,431.85	499,431.85	0.00
Salaries of secretarial and clerical assistants	75,300.00	0.00	75,300.00	57,904.48	17,395.52
Purchased professional educational services	26,000.00	0.00	26,000.00	21,439.57	4,560.43
Other purchased services	1,500.00	0.00	1,500.00	0.00	1,500.00
Supplies and materials	12,500.00	0.00	12,500.00	9,961.61	2,538.39
Other objects	1,500.00	0.00	1,500.00	1,280.00	220.00
Total child study teams	501,202.00	115,029.85	616,231.85	590,017.51	26,214.34

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Improvement of instruction services:					
Salaries of supervisor of instruction	\$ 189,066.00	\$ 0.00	\$ 189,066.00	\$ 167,357.57	\$ 21,708.43
Other salaries	18,200.00	0.00	18,200.00	17,368.38	831.62
Purchased professional educational services	20,000.00	0.00	20,000.00	1,872.00	18,128.00
Supplies and materials	3,000.00	0.00	3,000.00	1,903.26	1,096.74
Total improvement of instruction services	230,266.00	0.00	230,266.00	188,501.21	41,764.79
Educational media services/school library:					
Salaries - other professional staff	143,436.00	0.00	143,436.00	143,436.00	0.00
Salaries of technology coordinators	49,440.00	812.00	50,252.00	50,252.00	0.00
Purchased professional and technical services	12,560.00	(812.00)	11,748.00	2,257.26	9,490.74
Other purchased services	500.00	0.00	500.00	0.00	500.00
Supplies and materials	18,000.00	0.00	18,000.00	15,172.82	2,827.18
Total educational media services/school library	223,936.00	0.00	223,936.00	211,118.08	12,817.92
Training services - instructional staff:					
Salaries - other professional staff	79,613.00	800.00	80,413.00	80,413.00	0.00
Other salaries	30,000.00	(800.00)	29,200.00	8,526.74	20,673.26
Purchased professional educational services	16,000.00	(3,000.00)	13,000.00	8,721.36	4,278.64
Travel	22,000.00	5,099.00	27,099.00	25,303.23	1,795.77
Supplies and materials	1,500.00	0.00	1,500.00	124.08	1,375.92
Total training services - instructional staff	149,113.00	2,099.00	151,212.00	123,088.41	28,123.59

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Support services - general administration:					
Salaries other professional staff	\$ 153,000.00	\$ 738.72	\$ 153,738.72	\$ 153,738.72	\$ 0.00
Salaries secretary/clerical	59,925.00	(738.72)	59,186.28	58,425.12	761.16
Legal services	80,000.00	0.00	80,000.00	44,167.08	35,832.92
Audit fees	22,000.00	4,000.00	26,000.00	24,897.05	1,102.95
Architectural/engineering services	15,000.00	0.00	15,000.00	0.00	15,000.00
Other professional services	15,000.00	6,000.00	21,000.00	9,125.00	11,875.00
Communications/telephone	47,000.00	29,682.10	76,682.10	74,040.23	2,641.87
BOE other purchased services	6,800.00	2,500.00	9,300.00	9,281.14	18.86
Rentals	5,000.00	(4,500.00)	500.00	0.00	500.00
Travel	1,700.00	0.00	1,700.00	0.00	1,700.00
Other purchased services	35,000.00	(1,200.00)	33,800.00	31,854.62	1,945.38
General supplies	6,000.00	(221.48)	5,778.52	3,375.68	2,402.84
BOE in-house training/meeting supplies	1,000.00	200.00	1,200.00	1,104.24	95.76
Judgements	0.00	11,500.00	11,500.00	11,500.00	0.00
Miscellaneous expenditures	6,000.00	721.48	6,721.48	6,721.48	0.00
BOE membership dues and fees	6,500.00	0.00	6,500.00	5,477.70	1,022.30
Total support services - general administration	459,925.00	48,682.10	508,607.10	433,708.06	74,899.04

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Support services - school administration:					
Salaries of principals/assistant principals	\$ 467,186.00	\$ 42,082.54	\$ 509,268.54	\$ 443,675.31	\$ 65,593.23
Salaries of secretarial and clerical staff assistants	171,649.00	(4,000.00)	167,649.00	167,156.10	492.90
Purchased professional and educational services	6,000.00	(4,582.54)	1,417.46	0.00	1,417.46
Rentals	6,500.00	(1,061.28)	5,438.72	4,356.05	1,082.67
Travel	2,200.00	(300.00)	1,900.00	0.00	1,900.00
Supplies and materials	12,000.00	4,899.49	16,899.49	16,083.09	816.40
Other objects	5,000.00	(38.21)	4,961.79	3,649.00	1,312.79
Total support services - school administration	670,535.00	37,000.00	707,535.00	634,919.55	72,615.45
Central services:					
Salaries of other professionals	121,656.00	0.00	121,656.00	121,656.00	0.00
Salaries of secretarial and clerical staff	108,154.00	0.00	108,154.00	105,154.08	2,999.92
Purchased professional services	10,000.00	10,000.00	20,000.00	11,839.00	8,161.00
Purchased technical services	42,000.00	10,000.00	52,000.00	33,495.91	18,504.09
Miscellaneous purchased services	6,000.00	0.00	6,000.00	2,713.67	3,286.33
Supplies and materials	6,000.00	(165.00)	5,835.00	5,379.70	455.30
Miscellaneous expenditures	1,200.00	165.00	1,365.00	1,365.00	0.00
Total central services	295,010.00	20,000.00	315,010.00	281,603.36	33,406.64
Administration information technology:					
Salaries technical coordinator	76,220.00	0.00	76,220.00	71,219.92	5,000.08
Total administration technology	76,220.00	0.00	76,220.00	71,219.92	5,000.08

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Required maintenance for school facilities:					
Cleaning, repair, and maintenance services	\$ 150,000.00	\$ 87,436.24	\$ 237,436.24	\$ 236,500.15	\$ 936.09
General supplies	50,000.00	(19,665.00)	30,335.00	30,335.00	0.00
Total required maintenance for school facilities	200,000.00	67,771.24	267,771.24	266,835.15	936.09
Custodial services:					
Other salaries	569,604.00	(57,681.17)	511,922.83	511,270.85	651.98
Salaries of non-instructional aides	234,299.00	(35,675.17)	198,623.83	198,623.83	0.00
Purchased professional and technical services	130,000.00	6,727.68	136,727.68	136,727.68	0.00
Cleaning, repair, and maintenance services	50,000.00	(35,854.77)	14,145.23	13,906.71	238.52
Other purchased property services	600.00	0.00	600.00	0.00	600.00
Insurance	35,000.00	(11,126.95)	23,873.05	22,901.25	971.80
Miscellaneous purchased services	400.00	537.34	937.34	937.34	0.00
General supplies	109,272.00	(4,939.90)	104,332.10	103,578.27	753.83
Energy (natural gas)	110,000.00	72,852.73	182,852.73	182,851.73	1.00
Energy (electricity)	310,000.00	120,777.62	430,777.62	430,777.62	0.00
Utility - water and sewer	50,000.00	(17,832.00)	32,168.00	32,167.48	0.52
Total custodial services	1,599,175.00	37,785.41	1,636,960.41	1,633,742.76	3,217.65
Care and upkeep of grounds:					
Cleaning, repair, and maintenance services	2,800.00	12,282.90	15,082.90	15,082.90	0.00
General supplies	2,900.00	(2,318.00)	582.00	582.00	0.00
Total custodial services	5,700.00	9,964.90	15,664.90	15,664.90	0.00

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Student transportation services:					
Other salaries	\$ 26,653.00	\$ 2,499.48	\$ 29,152.48	\$ 29,152.48	\$ 0.00
Purchased professional and technical services	2,000.00	0.00	2,000.00	1,128.50	871.50
Contracted services - aid in lieu of payments	80,000.00	23,332.40	103,332.40	103,332.40	0.00
Contracted services (between home and school) - vendors	103,826.00	1,426.67	105,252.67	105,252.67	0.00
Contracted services (between home and school) - joint agreements	1,156,820.00	(115,469.03)	1,041,350.97	1,041,350.97	0.00
Contracted services (special education) - joint agreements	423,976.00	164,303.63	588,279.63	588,279.63	0.00
Total student transportation services	1,793,275.00	76,093.15	1,869,368.15	1,868,496.65	871.50
Unallocated benefits:					
Group insurance	25,000.00	0.00	25,000.00	0.00	25,000.00
Social security contributions	250,000.00	0.00	250,000.00	237,902.70	12,097.30
Other retirement contributions - PERS	235,000.00	0.00	235,000.00	226,164.27	8,835.73
Other retirement contributions - ERIP	75,000.00	(15,466.83)	59,533.17	43,458.74	16,074.43
Workmen's compensation	45,000.00	0.00	45,000.00	42,706.46	2,293.54
Health benefits	2,798,670.00	(27,598.85)	2,771,071.15	2,768,084.15	2,987.00
Tuition reimbursement	20,000.00	(7,050.62)	12,949.38	12,949.38	0.00
Other employee benefits	205,000.00	(7,083.25)	197,916.75	193,679.70	4,237.05
Total unallocated benefits	3,653,670.00	(57,199.55)	3,596,470.45	3,524,945.40	71,525.05

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
On-behalf T.P.A.F. pension contributions (non-budgeted)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 3,130,880.00	\$ (3,130,880.00)
On-behalf TPAF - post retirement medical (non-budgeted)	0.00	0.00	0.00	822,475.00	(822,475.00)
On-behalf T.P.A.F. long-term disability insurance (non-budgeted)	0.00	0.00	0.00	1,722.00	(1,722.00)
Reimbursed T.P.A.F. social security contributions (non-budgeted)	0.00	0.00	0.00	664,280.30	(664,280.30)
Total undistributed expenditures	12,018,467.00	251,215.46	12,269,682.46	16,400,740.56	(4,131,058.10)
Total expenditures - current expense	21,473,006.00	33,867.11	21,506,873.11	25,352,953.80	(3,846,080.69)
CAPITAL OUTLAY:					
Equipment:					
Custodial service equipment	20,000.00	(7,300.00)	12,700.00	4,825.00	7,875.00
Security equipment	0.00	7,300.00	7,300.00	7,300.00	0.00
Total equipment	20,000.00	0.00	20,000.00	12,125.00	7,875.00
Facilities acquisition and construction services:					
Architect/engineering services	15,000.00	(7,355.00)	7,645.00	6,876.00	769.00
Construction services	565,000.00	134,760.20	699,760.20	692,750.20	7,010.00
SDA assessment	47,615.00	0.00	47,615.00	47,615.00	0.00
Total facilities acquisition and construction services	627,615.00	127,405.20	755,020.20	747,241.20	7,779.00
Total capital outlay	647,615.00	127,405.20	775,020.20	759,366.20	15,654.00
Total expenditures	22,120,621.00	161,272.31	22,281,893.31	26,112,320.00	(3,830,426.69)

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Excess (deficiency) of revenues over (under) expenditures	\$ (1,811,295.00)	\$ (161,272.31)	\$ (1,972,567.31)	\$ (968,369.07)	\$ 1,004,198.24
Other financing sources (uses):					
Net increase (decrease) in unemployment reserve	0.00	0.00	0.00	23,865.05	23,865.05
Chrome book deposits	0.00	0.00	0.00	11,500.00	11,500.00
Transfer to food service fund	0.00	0.00	0.00	42,721.95	42,721.95
Total other financing sources (uses)	0.00	0.00	0.00	78,087.00	78,087.00
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,811,295.00)	(161,272.31)	(1,972,567.31)	(890,282.07)	1,082,285.24
Fund balances - July 1	5,273,652.23	0.00	5,273,652.23	5,273,652.23	0.00
Fund balances - June 30	<u>\$ 3,462,357.23</u>	<u>\$ (161,272.31)</u>	<u>\$ 3,301,084.92</u>	<u>\$ 4,383,370.16</u>	<u>\$ 1,082,285.24</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
Recapitulation:					
Restricted fund balance:					
Capital reserve				\$ 604,373.92	
Maintenance reserve				463,468.18	
Emergency reserve				71,014.14	
Chrome book replacement				47,040.00	
Excess surplus - designated for subsequent year's expenditures				1,441,858.26	
Surplus - designated for subsequent year's expenditures				0.03	
Excess surplus - current year				874,520.06	
Unemployment compensation				193,188.37	
Committed fund balance:					
Year-end encumbrances				100,541.95	
Unassigned fund balance				587,365.25	
				<u>4,383,370.16</u>	
				<u>(702,831.00)</u>	
Reconciliation to governmental funds statements (GAAP):					
Last two state aid payments not recognized on GAAP basis					
				<u>\$ 3,680,539.16</u>	

Fund balance per governmental funds (GAAP)

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Actual
REVENUES:					
Federal sources	\$ 778,701.00	\$ 71,071.00	\$ 849,772.00	\$ 771,053.70	\$ 78,718.30
State sources	0.00	29,555.00	29,555.00	29,555.00	0.00
Local sources	0.00	0.00	0.00	136,649.38	(136,649.38)
Total revenues	778,701.00	100,626.00	879,327.00	937,258.08	(57,931.08)
EXPENDITURES:					
Instruction:					
Salaries of teachers	29,183.00	0.00	29,183.00	29,183.00	0.00
Tuition	246,593.00	0.00	246,593.00	246,593.00	0.00
Purchased professional technical services	14,412.00	11,071.00	25,483.00	6,024.25	19,458.75
General supplies	432,697.00	20,000.00	452,697.00	186,714.84	265,982.16
Total instruction	722,885.00	31,071.00	753,956.00	468,515.09	285,440.91
Support services:					
Other salaries	18,000.00	25,200.00	43,200.00	1,676.25	41,523.75
Professional services	11,000.00	0.00	11,000.00	8,500.00	2,500.00
General supplies	11,933.00	14,800.00	26,733.00	11,497.20	15,235.80
Employee benefits	14,883.00	0.00	14,883.00	14,883.00	0.00
Student activities	0.00	0.00	0.00	139,543.71	(139,543.71)
Total support services	55,816.00	40,000.00	95,816.00	176,100.16	(80,284.16)
Capital outlay:					
Non-instructional equipment	0.00	29,555.00	29,555.00	295,537.16	(265,982.16)
Total expenditures	778,701.00	100,626.00	879,327.00	940,152.41	(60,825.41)
Excess (deficiency) of revenues over (under) expenditures	0.00	0.00	0.00	(2,894.33)	(2,894.33)
Fund balance July 1	23,208.31	0.00	23,208.31	23,208.31	0.00
Fund balance June 30	\$ 23,208.31	\$ 0.00	\$ 23,208.31	\$ 20,313.98	\$ (2,894.33)

Notes To The Required Supplementary Information

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note To Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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) "revenues" from the budgetary comparison schedules	\$ 25,143,950.93	\$ 937,258.08
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is realized	0.00	0.00
Difference - budget to GAAP:		
State aid payments recognized for budgetary purposes not recognized for GAAP statements:		
School year 2021-22	570,637.00	0.00
School year 2022-23	(702,831.00)	0.00
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 25,011,756.93</u>	<u>\$ 937,258.08</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 26,112,320.00	\$ 940,152.41
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	0.00	0.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 26,112,320.00</u>	<u>\$ 940,152.41</u>

Required Supplementary Information - Part III

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years

	Measurement Date Ending June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability	0.0193251165%	0.0206960671%	0.0198986322%	0.0197562379%	0.0199586415%	0.0220848987%	0.0199023911%	0.0174587000%	0.0155799669%	0.0157481376%
District's proportionate share of the net pension liability	\$ 2,916,426.00	\$ 2,451,759.00	\$ 3,244,947.00	\$ 3,559,774.00	\$ 3,929,757.00	\$ 5,141,011.00	\$ 5,894,517.00	\$ 3,919,128.00	\$ 2,916,996.00	\$ 3,009,782.00
District's covered-employee payroll	\$ 1,433,963.00	\$ 1,367,766.00	\$ 1,425,919.00	\$ 1,531,174.00	\$ 1,445,443.00	\$ 1,416,272.00	\$ 1,415,408.00	\$ 1,464,877.00	\$ 1,150,167.00	\$ 1,071,535.00
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	203.38%	179.25%	227.57%	232.49%	271.87%	363.00%	416.45%	267.54%	253.61%	280.89%
Plan fiduciary net position as a percentage of the total pension liability	98.17%	99.23%	99.20%	90.43%	81.92%	62.62%	54.61%	82.14%	97.45%	95.02%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 272,290.00	\$ 242,375.00	\$ 217,682.00	\$ 192,170.00	\$ 198,524.00	\$ 198,524.00	\$ 208,563.00	\$ 176,810.00	\$ 191,706.00	\$ 128,439.00
Contributions in relation to the contractually required contribution	(272,290.00)	(242,375.00)	(217,682.00)	(192,170.00)	(198,524.00)	(198,524.00)	(208,563.00)	(176,810.00)	(191,706.00)	(128,439.00)
Contribution deficiency (excess)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
District's covered-employee payroll	\$ 1,433,963.00	\$ 1,367,766.00	\$ 1,425,919.00	\$ 1,531,174.00	\$ 1,445,443.00	\$ 1,416,272.00	\$ 1,415,408.00	\$ 1,464,877.00	\$ 1,282,375.00	\$ 1,150,167.00
Contributions as a percentage of District's covered-employee payroll	18.99%	17.72%	15.27%	12.55%	13.73%	14.02%	14.74%	12.07%	14.95%	11.17%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher's Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

	Measurement Date Ending June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportion of the net pension liability associated with the District	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
District's proportionate share of the net pension liability	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
State's proportionate share of the net pension liability associated with the District	39,964,766.00	36,364,936.00	47,135,343.00	43,881,742.00	44,628,051.00	45,318,471.00	49,654,245.00	39,246,423.00	32,167,546.00	28,977,791.00
	\$ 39,964,766.00	\$ 36,364,936.00	\$ 47,135,343.00	\$ 43,881,742.00	\$ 44,628,051.00	\$ 45,318,471.00	\$ 49,654,245.00	\$ 39,246,423.00	\$ 32,167,546.00	\$ 28,977,791.00
District's covered-employee payroll	\$ 9,361,781.00	\$ 9,435,631.00	\$ 8,503,877.00	\$ 7,715,103.25	\$ 8,216,949.00	\$ 7,576,246.00	\$ 7,619,492.00	\$ 7,234,499.00	\$ 6,393,228.00	\$ 5,896,845.00
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of the net pension liability as a percentage of its covered-employee payroll	426.89%	385.40%	554.28%	568.78%	543.12%	598.17%	651.67%	542.49%	503.15%	491.41%
Plan fiduciary net position as a percentage of the total pension liability	47.76%	46.72%	33.73%	36.23%	35.63%	35.08%	32.02%	40.51%	51.05%	51.22%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Teacher's Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years**

NOT APPLICABLE

Note: The District is not required to make any contributions towards TPAF. There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

Notes To The Required Supplementary Information

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

NOTE 1 - PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Changes In Benefit Terms

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes In Assumptions

The discount rate at June 30, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022 were 5.39%, 4.90%, 3.98%, 5.00%, 5.66%, 6.28%, 7.00%, 7.00%, and 7.00% respectively.

The long-term expected rate of return at June 30, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022 were 7.90%, 7.90%, 7.65%, 7.00%, 7.00%, 7.00%, 7.00%, 7.00%, and 7.00% respectively.

For 2022, demographic assumptions were updated to reflect the most recent experience study for period July 1, 2018 to June 30, 2021.

NOTE 2 - TEACHERS' PENSION AND ANNUITY FUND (TPAF)

Changes In Benefit Terms

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes In Assumptions

The discount rate at June 30, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022 were 4.68%, 4.13%, 3.22%, 4.25%, 4.86%, 5.60%, 5.40%, 7.00%, and 7.00% respectively.

The long-term expected rate of return at June 30, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022 were 7.90%, 7.90%, 7.65%, 7.00%, 7.00%, 7.00%, 7.00%, 7.00%, and 7.00% respectively.

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

Required Supplementary Information - Part IV

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Last Six Fiscal Years

	Measurement Date Ending June 30,					
	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's proportionate share of the Total OPEB Liability associated with the District						
Changes for the year:						
Service cost	\$ 2,417,284.00	\$ 2,332,198.00	\$ 1,283,971.00	\$ 1,181,179.00	\$ 1,290,079.00	\$ 7,571,233.83
Interest cost	944,414.00	1,128,454.00	1,077,764.00	1,244,775.00	1,280,715.00	5,379,398.95
Change in benefit terms	0.00	(46,301.00)	0.00	0.00	0.00	0.00
Difference between expected and actual expenditures	(760,253.00)	42,917.00	8,276,574.00	(4,987,266.00)	0.00	0.00
Changes in assumptions	(9,559,887.00)	(8,253,254.00)	8,880,070.00	423,725.00	(3,439,606.00)	(22,431,862.83)
Gross benefit payments	(935,470.00)	(888,906.00)	(846,326.00)	(872,369.00)	(801,480.00)	(3,932,817.52)
Member contributions	30,010.00	28,849.00	25,652.00	25,859.00	27,700.00	144,813.00
OPEB liability (gain)/loss	0.00	0.00	0.00	(4,987,266.00)	(3,251,498.00)	0.00
Net change in total non-employer OPEB liability	(7,863,903.00)	(5,656,044.00)	18,697,705.00	(7,971,363.00)	(4,894,090.00)	(13,269,234.57)
Total non-employer OPEB liability - beginning	43,500,683.00	48,613,795.00	22,002,110.00	29,973,473.00	34,867,563.00	183,060,256.00
Prior period adjustment - percentage change	0.00	542,933.00	7,913,981.00	0.00	0.00	0.00
Total non-employer OPEB liability - ending	\$ 35,636,779.00	\$ 43,500,683.00	\$ 48,613,795.00	\$ 22,002,110.00	\$ 29,973,473.00	\$ 169,791,021.43
District's covered payroll (plan measurement period)	\$ 8,182,385.00	\$ 8,147,554.00	\$ 7,726,172.00	\$ 9,246,277.25	\$ 9,662,392.00	\$ 8,992,518.00
State's proportionate share of the total non-employer OPEB liability associated with the District as a percentage of covered payroll	435.53%	533.91%	629.21%	237.96%	310.21%	1888.14%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.

However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Notes To The Required Supplementary Information

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

NOTE 1 - TOTAL OPEB LIABILITY ASSOCIATED WITH THE DISTRICT

Changes In Benefit Terms

None.

Changes In Assumptions

This discount rate changed from 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, to 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021, and to 3.54% as of June 30, 2022.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included update in trend and experience study.

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after 8 years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after 8 years. For the Medicare Part B reimbursement, the trend is 5.00%.

Other Supplementary Information

-91-

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Statement of Serial Bonds
June 30, 2023

Issue	Date Of Issue	Amount Of Issue	Annual Maturities		Interest Rate	Balance July 1, 2022	Retired	Balance June 30, 2023
			Date	Amount				
Construction of addition and renovation to the Jeffrey Clark and the Samuel Mickle Schools	02/06/12	\$ 16,097,000.00	09/01/24	\$ 810,000.00	3.000%			
			09/01/25-27	825,000.00	3.000%			
			09/01/28-29	850,000.00	3.000%			
			09/01/30	850,000.00	3.125%			
			09/01/31	850,000.00	3.250%			
			09/01/32	850,000.00	3.375%			
			09/01/33	850,000.00	3.400%			
			09/01/34	850,000.00	3.500%			
			09/01/35	850,000.00	3.600%			
			09/01/36	850,000.00	3.625%			
						\$ 11,960,000.00	\$ 475,000.00	\$ 11,485,000.00
Refunding bonds	06/05/12	5,475,000.00						
			06/14/24	650,000.00	5.00%	1,325,000.00	675,000.00	650,000.00
						\$ 13,285,000.00	\$ 1,150,000.00	\$ 12,135,000.00

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Schedule of Obligations Under Leases
June 30, 2023

Description	Date Of Lease	Term Of Lease	Amount Of Original Issue		Interest Rate	Balance July 1, 2022	Issued Current Year	Decreased Current Year	Balance June 30, 2023 (a)
			Principal	Interest					
Three copiers	03/15/19	4 Years	\$ 56,863.23	\$ 2,558.85	4.50%	\$ 12,076.35	\$ 0.00	\$ 12,076.35	\$ 0.00
Three copiers	03/15/23	4 Years	66,220.71	2,979.93	4.50%	0.00	69,200.64	5,661.64	63,539.00
						\$ 12,076.35	\$ 69,200.64	\$ 17,737.99	\$ 63,539.00

(a) Future interest payments removed from carry value of financed purchases agreement.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final To Budget
REVENUES:					
Local sources:					
Local tax levy	\$ 1,590,394.00	\$ 0.00	\$ 1,590,394.00	\$ 1,590,394.00	\$ 0.00
Total local sources	<u>1,590,394.00</u>	<u>0.00</u>	<u>1,590,394.00</u>	<u>1,590,394.00</u>	<u>0.00</u>
Total revenues	<u>1,590,394.00</u>	<u>0.00</u>	<u>1,590,394.00</u>	<u>1,590,394.00</u>	<u>0.00</u>
EXPENDITURES:					
Regular debt service:					
Interest	440,394.00	0.00	440,394.00	440,393.75	0.25
Redemption of principal	1,150,000.00	0.00	1,150,000.00	1,150,000.00	0.00
Total regular debt service	<u>1,590,394.00</u>	<u>0.00</u>	<u>1,590,394.00</u>	<u>1,590,393.75</u>	<u>0.25</u>
Total expenditures	<u>1,590,394.00</u>	<u>0.00</u>	<u>1,590,394.00</u>	<u>1,590,393.75</u>	<u>0.25</u>
Excess (deficiency) of revenues over (under) expenditures	0.00	0.00	0.00	0.25	0.25
Fund balance - July 1	1.13	0.00	1.13	1.13	0.00
Fund balance - June 30	<u>1.13</u>	<u>0.00</u>	<u>0.00</u>	<u>1.38</u>	<u>0.25</u>

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Schedule of Obligation Under Subscription-Based Information Technology Arrangements
June 30, 2023

Purpose	Date Of Original Issue	Term Of Subscription	Amount Of Original Subscription	Interest	Balance July 1, 2022	Issued Current Year	Decreased Current Year	Balance June 30, 2023
			Principal	Interest				
Social Studies Curriculum	07/01/22	5 Years	\$ 17,626.29	\$ 1,071.76	\$ 0.00	\$ 17,626.29	\$ 3,739.61	\$ 13,886.68
				3.00%				
					\$ 0.00	\$ 17,626.29	\$ 3,739.61	\$ 13,886.68

Statistical Section

Financial Trends - Financial trends information is intended to assist users in understanding and assessing how the District's financial position has changed over time. Please refer to the exhibits for a historical view of the District's financial performance.

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

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

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

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Net Position By Component
Last Ten Fiscal Years
Accrual Basis of Accounting

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Net investment in capital assets	\$ 7,735,743.03	\$ 6,854,984.40	\$ 6,800,275.51	\$ 6,884,743.48	\$ 7,029,872.38	\$ 6,977,990.11	\$ 7,207,112.19	\$ 6,982,839.41	\$ 7,177,807.69	\$ 5,614,127.92
Restricted	3,819,214.60	4,781,584.00	4,534,277.50	3,618,410.93	3,558,196.46	3,566,771.96	3,252,135.13	3,040,602.09	3,537,708.19	3,374,027.19
Unrestricted	(3,720,482.07)	(4,223,907.27)	(4,705,343.56)	(4,736,697.06)	(4,589,444.58)	(4,384,410.93)	(4,221,696.02)	(3,436,696.84)	(3,283,832.10)	71,201.29
Total governmental activities net position	\$ 7,834,475.56	\$ 7,412,661.13	\$ 6,629,209.45	\$ 5,776,457.35	\$ 5,998,624.26	\$ 6,160,351.14	\$ 6,237,551.30	\$ 6,586,744.66	\$ 7,431,683.78	\$ 9,059,356.40
Business-type activities:										
Net investment in capital assets	\$ 92,635.67	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 386.68	\$ 1,160.00	\$ 3,943.38
Restricted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	410,043.58	369,568.97	54,252.72	95,240.51	167,498.87	162,455.59	124,335.24	108,314.18	74,717.05	74,408.24
Total business-type activities net position	\$ 502,679.25	\$ 369,568.97	\$ 54,252.72	\$ 95,240.51	\$ 167,498.87	\$ 162,455.59	\$ 124,335.24	\$ 108,700.86	\$ 75,877.05	\$ 78,351.62
District-wide activities:										
Net investment in capital assets	\$ 7,828,378.70	\$ 6,854,984.40	\$ 6,800,275.51	\$ 6,884,743.48	\$ 7,029,872.38	\$ 6,977,990.11	\$ 7,207,112.19	\$ 6,983,226.09	\$ 7,178,967.69	\$ 5,618,071.30
Restricted	3,819,214.60	4,781,584.00	4,534,277.50	3,618,410.93	3,558,196.46	3,566,771.96	3,252,135.13	3,040,602.09	3,537,708.19	3,374,027.19
Unrestricted	(3,310,438.49)	(3,854,338.30)	(4,651,090.84)	(4,631,456.55)	(4,421,945.71)	(4,221,955.34)	(4,097,360.78)	(3,328,382.66)	(3,209,115.05)	145,609.53
Total district-wide activities net position	\$ 8,337,154.81	\$ 7,782,230.10	\$ 6,683,462.17	\$ 5,871,697.86	\$ 6,166,123.13	\$ 6,322,806.73	\$ 6,361,886.54	\$ 6,695,445.52	\$ 7,507,560.83	\$ 9,137,708.02

In accordance with GASB Statement No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB Statement No. 68 and No. 71, which required the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
Accrual Basis of Accounting

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 6,596,212.77	\$ 6,622,398.16	\$ 6,199,750.01	\$ 6,329,499.42	\$ 6,030,112.58	\$ 5,812,793.43	\$ 5,571,912.58	\$ 5,369,717.52	\$ 4,934,794.73	\$ 4,591,849.54
Special education	2,022,896.63	1,829,613.04	1,733,518.51	1,726,619.09	1,708,195.59	1,611,550.88	1,600,846.70	1,531,753.05	1,398,213.94	1,192,288.26
Other special education	801,618.93	606,473.31	509,152.32	517,050.01	407,851.11	395,415.93	292,004.86	353,223.73	402,121.81	336,509.67
Support services:										
Tuition	533,177.90	338,652.27	302,795.53	302,409.30	158,714.45	434,867.20	432,308.71	392,680.45	365,479.66	483,195.26
Student and instruction related services	2,678,286.77	2,644,029.05	1,939,056.09	2,016,917.53	1,921,134.16	1,643,568.38	1,647,331.33	1,484,724.47	1,647,709.91	1,653,821.77
General administration	433,708.06	451,185.59	452,725.05	439,638.84	379,280.42	368,952.88	381,235.92	327,759.84	317,468.51	317,468.51
School administrative services	634,919.55	630,256.29	645,102.92	705,889.26	729,783.23	692,121.53	681,836.00	627,476.38	560,999.79	524,733.61
Central services	281,603.36	269,544.77	256,498.33	253,433.56	248,194.01	263,745.14	231,317.17	218,345.84	214,607.46	256,047.29
Administration information technology	71,219.92	76,824.71	76,509.12	71,825.04	66,715.92	28,667.20	62,675.04	60,500.08	51,549.92	0.00
Plant operations and maintenance	1,916,242.81	1,637,905.72	1,502,126.58	1,411,862.07	1,401,276.52	1,484,908.70	1,365,731.62	1,495,047.00	1,254,851.02	1,169,591.67
Pupil transportation	1,868,496.65	1,342,228.21	1,077,905.03	1,097,122.32	1,105,063.41	1,087,770.85	1,073,467.84	1,097,599.10	986,437.08	967,952.29
Unallocated benefits	7,709,552.34	7,065,827.54	6,030,427.71	10,051,930.72	9,625,365.13	4,030,886.81	5,114,349.55	11,756,301.87	7,095,927.94	3,265,495.55
Interest on long-term debt	429,008.33	473,644.25	510,426.66	546,804.17	578,841.67	607,191.67	648,350.00	661,054.17	685,564.58	712,782.08
Capital outlay	55,235.56	59,979.02	211,476.67	88,327.81	6,293.20	38,973.00	318,516.32	462,115.36	45,815.14	2,048,927.88
Unallocated depreciation (SBITAs)	3,525.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unallocated depreciation	1,209,376.87	1,216,323.75	1,227,058.44	1,222,556.90	1,199,396.72	1,181,358.08	1,177,385.00	1,177,385.00	662,766.46	291,634.00
Total governmental activities expenses	27,245,081.71	25,284,885.68	22,575,528.97	26,781,886.04	25,566,218.12	19,682,771.68	20,603,852.86	27,027,509.58	20,634,599.28	17,812,297.38
Business-type activities:										
Food services	503,022.95	464,955.21	282,547.70	339,142.81	391,541.76	372,826.76	376,860.87	365,954.54	350,132.25	337,327.58
Beyond the bell	368,052.79	321,373.98	202,712.02	392,083.32	387,497.50	355,116.70	299,650.04	283,795.78	261,452.65	169,065.95
Total business-type activities expenses	871,075.74	786,329.19	485,259.72	731,226.13	779,039.26	727,943.46	676,510.91	649,750.32	611,584.90	506,393.53
Total district expenses	\$ 28,116,157.45	\$ 26,071,214.87	\$ 23,060,788.69	\$ 27,513,112.17	\$ 26,345,257.38	\$ 20,410,715.14	\$ 21,280,363.77	\$ 27,677,259.90	\$ 21,246,184.18	\$ 18,318,690.91
Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 910,597.41	\$ 1,488,698.41	\$ 4,160,976.29	\$ 3,120,226.66	\$ 6,962,248.38	\$ 1,556,004.59	\$ 2,124,410.59	\$ 9,495,471.01	\$ 4,954,693.33	\$ 1,411,490.46
Capital grants and contributions	29,555.00	63,977.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total governmental activities revenues	940,152.41	1,552,675.41	4,160,976.29	3,120,226.66	6,962,248.38	1,556,004.59	2,124,410.59	9,495,471.01	4,954,693.33	1,411,490.46
Business-type activities:										
Charges for services:										
Food services	403,252.38	99,989.04	23,478.07	208,732.26	301,397.70	297,638.50	279,403.19	279,723.91	273,106.26	250,379.52
Beyond the bell	414,295.67	425,352.64	161,542.23	309,350.30	418,119.18	393,725.91	320,426.50	318,696.59	255,665.29	205,822.66
Operating grants and contributions	226,133.12	575,162.00	199,127.47	79,911.17	75,587.82	74,329.49	92,016.37	83,900.77	77,959.46	90,862.33
Total business-type activities revenues	1,043,681.17	1,100,503.68	384,147.77	597,993.73	795,104.70	765,693.90	691,846.06	682,321.27	606,731.01	547,064.51
Total district revenues	\$ 1,983,833.58	\$ 2,653,179.09	\$ 4,545,124.06	\$ 3,718,220.39	\$ 7,757,353.08	\$ 2,321,698.49	\$ 2,816,256.65	\$ 10,177,792.28	\$ 5,561,424.34	\$ 1,958,554.97

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT

Changes in Net Position
Last Ten Fiscal Years
Accrual Basis of Accounting

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net (expenses)/revenues:										
Governmental activities	\$ (26,304,929.30)	\$ (23,732,210.27)	\$ (18,414,552.68)	\$ (23,661,659.38)	\$ (18,603,969.74)	\$ (18,126,767.09)	\$ (18,479,442.27)	\$ (17,532,038.57)	\$ (15,679,905.95)	\$ (16,400,806.92)
Business-type activities	172,605.43	314,174.49	(101,111.95)	(133,232.40)	16,065.44	37,750.44	15,335.15	32,570.95	(4,853.89)	40,670.98
Total district-wide net expenses	\$ (26,132,323.87)	\$ (23,418,035.78)	\$ (18,515,664.63)	\$ (23,794,891.78)	\$ (18,587,904.30)	\$ (18,089,016.65)	\$ (18,464,107.12)	\$ (17,499,467.62)	\$ (15,684,759.84)	\$ (16,360,135.94)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 13,072,869.00	\$ 13,072,869.00	\$ 13,072,869.00	\$ 13,072,869.00	\$ 12,816,538.00	\$ 12,816,538.00	\$ 12,596,106.00	\$ 11,785,942.00	\$ 10,729,296.00	\$ 9,970,630.00
Taxes levied for debt service	1,590,394.00	1,579,456.00	1,574,406.00	1,502,072.00	1,487,725.00	1,549,088.00	1,581,163.00	1,588,044.00	1,567,418.00	1,546,821.00
Federal and state aid not restricted	11,729,303.07	9,529,694.03	4,550,849.42	8,794,529.73	4,053,804.21	3,664,387.00	3,506,371.14	3,250,243.00	3,434,726.00	3,380,480.00
Tuition	25,125.00	40,855.13	78,118.22	52,599.38	8,670.23	1,009.80	8,261.17	23,047.00	0.00	33,399.16
Investment earnings	9,745.85	2,387.18	1,455.86	11,757.61	17,068.82	5,253.84	4,675.64	5,053.75	4,901.03	4,891.56
Local sources	136,649.38	103,976.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous income	35,170.30	78,838.19	102,317.45	52,623.22	55,026.83	13,341.32	21,555.47	37,752.95	39,142.30	21,352.65
Fixed asset donations, disposals, adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior period adjustment - enterprise salaries	0.00	0.00	0.00	0.00	0.00	(51.03)	46,986.88	0.00	0.00	0.00
Prior year accounts payable cancelled	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Net increase (decrease) in reserve for chrome book deposits	11,500.00	11,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed assets retired (net of depreciation)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior period adjustment - fixed assets	0.00	0.00	0.00	0.00	0.00	0.00	(28,763.00)	0.00	0.00	0.00
Compensated absences (increase)/reduction	36,206.53	(24,803.61)	(7,421.07)	0.00	0.00	0.00	389,738.00	0.00	0.00	0.00
Change in leases payable	9,453.99	7,560.25	0.00	11,541.53	3,409.77	0.00	4,154.61	(2,983.25)	2,054.77	16,163.65
Change in SBITA payable	3,739.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior year refund charged to expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bond sale premium/refunding bond/excess COI	0.00	0.00	5,775.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net increase (decrease) in unemployment reserve	23,865.05	101,975.86	(51,065.10)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enterprise fund surplus	42,721.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	(60,000.00)	(60,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
Total governmental activities	26,726,743.73	24,504,758.46	19,267,304.78	23,439,492.47	18,442,242.86	18,049,566.93	18,130,248.91	16,687,099.45	17,062,015.33	14,973,738.02
Business-type activities:										
Investment earnings	965.71	15.50	92.01	974.04	1,194.62	369.91	299.23	252.86	204.80	154.54
Fixed asset disposals and adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(466.67)
Miscellaneous income	2,261.09	394.02	0.00	0.00	0.00	0.00	0.00	0.00	2,174.22	0.00
Prior period adjustment - lunch accounts	0.00	0.00	0.00	0.00	(12,216.78)	0.00	0.00	0.00	0.00	0.00
Prior period adjustment - checks canceled	0.00	735.34	32.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enterprise fund surplus	(42,721.95)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	60,000.00	60,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Total business-type activities	(39,495.15)	1,144.86	60,124.16	60,974.04	(11,022.16)	369.91	299.23	252.86	2,379.02	(312.13)
Total district-wide activities	\$ 26,687,248.58	\$ 24,505,903.32	\$ 19,327,428.94	\$ 23,500,466.51	\$ 18,431,220.70	\$ 18,049,936.84	\$ 18,130,548.14	\$ 16,687,352.31	\$ 17,064,394.35	\$ 14,973,425.89
Change in net position:										
Governmental activities	\$ 421,814.43	\$ 772,548.19	\$ 852,752.10	\$ (222,166.91)	\$ (161,726.88)	\$ (77,200.16)	\$ (349,193.36)	\$ (844,959.12)	\$ 1,382,109.38	\$ (1,427,068.90)
Business-type activities	133,110.28	315,319.35	(40,987.79)	(72,258.36)	5,043.28	38,120.35	15,634.38	32,823.81	(2,474.87)	40,358.85
Total district-wide	\$ 554,924.71	\$ 1,087,867.54	\$ 811,764.31	\$ (294,425.27)	\$ (156,683.60)	\$ (39,079.81)	\$ (333,558.98)	\$ (812,115.31)	\$ 1,379,634.51	\$ (1,386,710.05)

In accordance with GASB Statement No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the District adopted GASB Statement No. 68 and No. 71, which required the District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which required the District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2022, the District adopted GASB Statement No. 87, which required the District to reclassify certain long-term liabilities previously identified as operating leases as lease liabilities and record capital assets for the underlying leases. Balances prior to June 30, 2022 are shown as originally reported and have not been restated for this adoption.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis of Accounting

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General fund:										
Reserved	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unreserved	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted	3,648,422.96	4,557,824.31	4,409,430.29	3,551,933.00	3,420,341.28	3,356,842.43	3,073,809.78	2,831,806.15	2,809,373.32	3,058,552.56
Committed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assigned	147,581.95	196,812.31	97,899.58	69,191.48	66,179.05	46,537.40	14,933.72	0.31	105,039.13	15,569.54
Unassigned	(115,465.75)	(51,621.39)	(56,205.23)	(53,291.25)	(19,115.79)	23,676.96	29,179.02	(91.69)	(8,457.62)	7,636.17
Total general fund	\$ 3,680,539.16	\$ 4,703,015.23	\$ 4,451,124.64	\$ 3,567,833.23	\$ 3,467,404.54	\$ 3,427,056.79	\$ 3,117,922.52	\$ 2,831,714.77	\$ 2,905,954.83	\$ 3,081,758.27
All other governmental funds:										
Reserved	\$ 20,313.98	\$ 23,208.31	\$ 26,946.25	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Assigned	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,279.74
Unreserved, reported in:										
Special revenue fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital projects fund	0.00	0.00	0.00	0.00	0.00	163,390.91	163,390.91	208,795.41	623,295.77	619,216.17
Debt service fund	1.38	1.13	1.38	1.63	83,392.13	1.22	0.72	0.22	(0.03)	0.72
Total all other governmental funds	\$ 20,315.36	\$ 23,209.44	\$ 26,947.63	\$ 1.63	\$ 83,392.13	\$ 163,392.13	\$ 163,391.63	\$ 208,795.63	\$ 623,295.74	\$ 621,496.63

For the fiscal year ended June 30, 2021, the District adopted GASB Statement No. 84, which required the District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis of Accounting

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax levy	\$ 14,663,263.00	\$ 14,652,325.00	\$ 14,647,275.00	\$ 14,574,941.00	\$ 14,304,263.00	\$ 14,365,626.00	\$ 14,177,269.00	\$ 13,373,986.00	\$ 12,296,714.00	\$ 11,517,451.00
Tuition	25,125.00	40,855.13	78,118.22	52,599.38	8,670.23	1,009.80	8,261.17	23,047.00	0.00	33,399.16
Interest earnings	3,508.51	781.13	1,455.86	2,075.56	3,792.03	955.77	5,053.75	4,901.03	4,892.15	4,892.15
Miscellaneous	41,407.64	80,444.24	75,662.14	60,632.27	55,026.83	17,639.39	21,305.62	37,752.95	39,142.30	21,352.06
Local sources	136,649.38	103,976.43	26,655.31	1,673.00	13,276.79	0.00	0.00	0.00	0.00	0.00
State sources	11,890,681.30	9,658,048.54	8,308,635.41	7,297,963.08	6,751,559.68	5,980,035.59	5,455,705.60	5,075,827.98	5,114,218.26	4,529,973.46
Federal sources	778,774.18	594,863.85	588,775.64	302,189.58	305,449.00	298,492.00	316,584.00	300,181.00	271,272.00	261,997.00
Total revenues	27,539,409.01	25,131,294.32	23,726,577.38	22,292,073.87	21,442,037.56	20,663,758.55	19,984,030.88	18,814,848.68	17,726,247.59	16,369,064.83
Expenditures:										
Instruction:										
Regular instruction	6,596,212.77	6,622,398.16	6,199,750.01	6,329,499.42	6,030,112.58	5,812,793.43	5,571,912.58	5,369,717.52	4,934,794.73	4,565,892.04
Special education instruction	2,022,896.63	1,829,613.04	1,733,518.51	1,726,619.09	1,708,195.59	1,611,550.88	1,600,846.70	1,531,753.05	1,398,213.94	1,192,288.26
Other special instruction	801,618.93	606,473.31	509,152.32	517,050.01	407,851.11	395,415.93	292,004.86	353,223.73	402,121.81	336,509.67
Support services:										
Tuition	533,177.90	358,652.27	203,795.53	302,409.30	158,714.45	434,867.20	432,308.71	392,680.45	365,479.66	483,195.26
Student and instruction related services	2,678,286.77	2,644,029.05	1,939,056.09	2,016,917.53	1,921,134.16	1,643,568.38	1,647,331.33	1,484,724.47	1,647,709.91	1,653,821.77
General administration	433,708.06	451,185.59	452,725.05	439,638.84	379,280.42	368,952.88	381,235.92	339,585.56	327,759.84	315,376.32
School administrative services	634,919.55	630,256.29	645,102.92	705,889.26	729,783.23	692,121.53	681,836.00	627,476.38	560,999.79	524,733.61
Central services	281,603.36	269,544.77	256,498.33	253,433.56	248,194.01	263,745.14	231,317.17	218,345.84	214,607.46	256,047.29
Administration information technology	71,219.92	76,824.71	76,509.12	71,825.04	66,715.92	28,667.20	62,675.04	60,500.08	51,549.92	0.00
Plant operations and maintenance	1,916,242.81	1,637,905.72	1,502,126.58	1,411,862.07	1,401,276.52	1,484,908.70	1,365,731.62	1,495,047.00	1,254,851.02	1,166,922.06
Pupil transportation	1,868,496.65	1,342,228.21	1,077,905.03	1,097,122.32	1,105,063.41	1,087,770.85	1,073,467.84	1,097,599.10	986,437.08	967,952.29
Unallocated benefits	8,159,185.70	6,730,952.49	6,387,459.92	5,623,050.93	5,480,071.22	4,924,914.13	4,519,620.42	4,220,359.84	4,075,523.87	3,265,495.55
Capital outlay	1,054,903.36	217,547.92	299,065.14	135,755.81	277,572.19	56,209.00	348,783.32	524,532.08	112,784.14	2,501,044.26
Debt service:										
Principal	1,150,000.00	1,095,000.00	1,055,000.00	1,030,000.00	980,000.00	935,000.00	940,000.00	920,000.00	875,000.00	827,000.00
Interest and other charges	440,393.75	484,456.25	519,406.25	555,462.50	587,725.00	614,087.50	641,162.50	668,043.75	692,418.75	719,821.25
Total expenditures	28,642,866.16	24,597,067.78	22,857,070.80	22,216,535.68	21,481,689.81	20,354,572.75	19,790,234.01	19,303,588.85	17,900,251.92	18,776,099.63
Excess (deficiency) of revenues over (under) expenditures	(1,103,457.15)	134,226.54	869,506.78	75,538.19	(39,652.25)	309,185.80	193,816.87	(488,740.17)	(174,004.33)	(2,407,034.80)
Other financing sources (uses):										
Prior period adjustment - enterprise salaries	0.00	0.00	0.00	0.00	0.00	(51.03)	46,986.88	0.00	0.00	0.00
Prior year accounts payable canceled	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Net increase (decrease) in reserve for chrome book deposits	11,500.00	11,950.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prior year refund charged to expense	0.00	0.00	5,775.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net increase (decrease) in unemployment fund	23,865.05	101,975.86	(51,065.10)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers in/(out)	42,721.95	0.00	(60,000.00)	(60,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
Total other financing sources (uses)	78,087.00	113,925.86	(105,290.10)	(58,500.00)	0.00	(51.03)	46,986.88	0.00	0.00	0.00
Net change in fund balances	\$ (1,025,370.15)	\$ 248,152.40	\$ 764,216.68	\$ 17,038.19	\$ (39,652.25)	\$ 309,134.77	\$ 240,803.75	\$ (488,740.17)	\$ (174,004.33)	\$ (2,407,034.80)
Debt service as a percentage of noncapital expenditures	5.76%	6.37%	6.98%	7.18%	7.39%	7.63%	8.13%	8.46%	8.81%	9.50%

Source: District records.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
General Fund Other Local Revenue By Source
Last Ten Fiscal Years
Modified Accrual Basis of Accounting

Fiscal Year Ended June 30	Tuition	Interest On Investments	Local Grants	Miscellaneous	Total
2023	\$ 25,125.00	\$ 3,508.51	\$ 136,649.38	\$ 41,407.64	\$ 206,690.53
2022	40,855.13	781.13	103,976.43	80,444.24	226,056.93
2021	78,118.22	1,455.86	26,655.31	75,662.14	181,891.53
2020	52,599.38	2,075.56	1,673.00	60,632.27	116,980.21
2019	8,670.23	3,792.03	0.00	55,026.83	67,489.09
2018	1,009.80	955.77	0.00	17,639.39	19,604.96
2017	8,261.17	4,925.49	0.00	21,305.62	34,492.28
2016	23,047.00	5,053.75	0.00	37,752.95	65,853.70
2015	0.00	4,901.03	0.00	39,142.30	44,043.33
2014	33,399.16	7,962.73	0.00	14,660.65	56,022.54

Source: District records.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Vacant Land	Residential	Farm - Regular	Farm - Qualified	Commercial	Industrial	Apartments	Improvements	Total Assessed Value	Less: Tax Exempt Property	Public Utilities*	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate**
2023	\$ 22,920,900	\$ 1,149,414,400	\$ 21,750,000	\$ 1,933,500	\$ 38,835,300	\$ 37,795,400	\$ 1,299,000	\$ 0	\$ 1,273,948,500	\$ 0	\$ 0	\$ 1,273,439,300	\$ 1,586,087,489	\$ 1.187
2022	27,366,100	1,123,779,000	22,373,900	1,879,100	39,189,700	36,005,700	1,299,000	0	1,251,892,500	0	0	1,251,892,500	1,352,529,989	1.169
2021	31,792,100	1,099,269,000	22,182,500	1,828,700	38,725,600	34,705,700	1,299,000	0	1,229,802,600	0	0	1,229,802,600	1,263,855,149	1.189
2020	28,945,100	1,089,408,000	21,754,400	1,948,300	34,053,600	33,646,200	1,299,000	0	1,211,054,600	0	0	1,211,054,600	1,230,871,395	1.201
2019	29,782,900	1,073,090,800	21,944,700	2,361,100	34,325,600	33,010,200	1,299,000	0	1,195,814,300	0	0	1,195,814,300	1,203,537,787	1.333
2018	17,116,700	964,291,200	19,236,700	2,586,400	45,205,600	18,189,300	1,624,400	0	1,068,250,300	0	0	1,068,250,300	1,146,443,025	1.338
2017	15,568,800	954,674,000	20,887,100	2,651,300	48,924,400	16,188,500	1,624,400	0	1,060,518,500	0	0	1,060,518,500	1,122,656,649	1.301
2016	15,699,700	941,124,600	21,611,800	2,710,000	49,351,600	16,146,300	1,916,500	0	1,048,560,500	0	1,280,885	1,049,841,385	1,089,213,265	1.216
2015	14,104,900	924,528,700	23,001,600	2,712,700	54,274,600	16,459,200	1,916,500	0	1,036,998,200	0	1,266,142	1,038,264,342	1,079,797,686	1.150
2014	17,930,100	910,807,400	23,975,400	2,749,200	54,269,400	16,952,500	2,159,800	0	1,028,843,800	0	1,470,197	1,030,313,997	1,092,833,683	1.090

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the county board of taxation requests treasury to order a reassessment.

Source: Municipal tax assessor.

*Taxable value of machinery, implements and equipment of telephone, telegraph and messenger system companies

**Tax rates are per \$100.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Per \$100 of Assessed Valuation
Last Ten Fiscal Years

Fiscal Year Ended June 30	District's Direct Rate			(From J-6)			Overlapping Rates			Total Direct And Overlapping Tax Rate
	Basic Rate*	General Obligation Debt Service**	Direct School Tax Rate	Regional High School	Municipality	County				
2023	\$ 1.060	\$ 0.127	\$ 1.187	\$ 0.792	\$ 0.351	\$ 0.748	\$ 3.078			
2022	1.040	0.126	1.169	0.742	0.345	0.735	2.991			
2021	1.060	0.129	1.189	0.725	0.346	0.751	3.011			
2020	1.075	0.126	1.201	0.714	0.341	0.738	2.994			
2019	1.200	0.133	1.333	0.785	0.380	0.799	3.297			
2018	1.193	0.145	1.338	0.768	0.382	0.766	3.254			
2017	1.152	0.149	1.301	0.767	0.384	0.764	3.216			
2016	1.065	0.151	1.216	0.752	0.385	0.729	3.082			
2015	0.999	0.151	1.150	0.726	0.327	0.689	2.892			
2014	0.961	0.129	1.090	0.720	0.320	0.686	2.816			

Source: Municipal Tax Collector.

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

*The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2023		2014	
	Taxable Assessed Value	Percentage Of Total District Net Assessed Value	Taxable Assessed Value	Percentage Of Total District Net Assessed Value
South Shore Properties, LLC	\$ 6,642,000	0.005215796		
TA Operating LLC	5,680,000	0.004460362		
Columbia Gas Transmission Co.	3,606,400	0.002832016		
Storage World of NJ, LLC	3,550,000	0.002787726		
Saint Gobain Performance Plastics Co.	3,000,000	0.002355825		
Mount Royal Real Estate Associates	2,716,100	0.002132885		
Transcontinental Gas Pipeline Co.	2,464,700	0.001935467		
Kampgrounds of America, Inc.	2,386,900	0.001874373		
Summer Skye, LLC	2,244,600	0.001762628		
Watson Land Company	1,938,900	0.001522570		
Royal Crescent, LLC			\$ 5,922,300	0.950%
Traveler Center Properties			4,446,000	0.710%
Saint Gobain Performance Plastics Co.			3,768,700	0.600%
Colonial Pipeline Company			3,538,200	0.570%
Columbia Gas Transmission Co.			3,517,300	0.560%
Transcontinental Gas Pipeline Co.			2,351,500	0.380%
Storage World of NJ, LLC			2,235,100	0.360%
Summer Skye, LLC			2,066,700	0.330%
Mount Royal Plaza Real Estate, Inc.			1,921,900	0.310%
Jemm Holdings, LLC			1,872,900	0.300%
Total	\$ 34,229,600.00	2.688%	\$ 31,640,600.00	5.070%

Source: Municipal Tax Assessor.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year Of the Levy*		Collections In Subsequent Year
		Current Amount	Percentage Of Levy	
2023	\$ 14,663,263.00	\$ 14,663,263.00	100.00%	\$ 0.00
2022	14,652,325.00	14,652,325.00	100.00%	0.00
2021	14,647,275.00	14,647,275.00	100.00%	0.00
2020	14,574,941.00	14,574,941.00	100.00%	0.00
2019	14,304,263.00	14,304,263.00	100.00%	0.00
2018	14,365,626.00	14,365,626.00	100.00%	0.00
2017	14,177,269.00	14,177,269.00	100.00%	0.00
2016	13,373,986.00	13,373,986.00	100.00%	0.00
2015	12,296,714.00	12,296,714.00	100.00%	0.00
2014	11,517,451.00	11,517,451.00	100.00%	0.00

Source: District records including the certificate and report of school taxes (A4F Form).

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Ratios Of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities				Total District	Percentage Of Personal Income*	Per Capita*
	General Obligation Bonds**	Leases***	SBITAs****				
2023	\$ 12,135,000.00	\$ 63,433.92	\$ 13,886.68	\$	12,212,320.60	Not available	Not available
2022	13,285,000.00	12,076.35	0.00		13,297,076.35	1.76%	1,101
2021	14,380,000.00	0.00	0.00		14,380,000.00	2.17%	1,310
2020	15,435,000.00	0.00	0.00		15,435,000.00	2.55%	1,440
2019	16,465,000.00	0.00	0.00		16,465,000.00	2.66%	1,556
2018	17,445,000.00	0.00	0.00		17,445,000.00	4.99%	1,658
2017	18,380,000.00	0.00	0.00		18,380,000.00	3.54%	1,768
2016	19,320,000.00	0.00	0.00		19,320,000.00	3.81%	1,861
2015	20,240,000.00	0.00	0.00		20,240,000.00	4.22%	1,967
2014	21,115,000.00	0.00	0.00		21,115,000.00	4.58%	2,069

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

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

**Includes early retirement incentive plan (ERIP) refunding.

***Amounts include leases as defined in GASB Statement No. 87, Leases.

***Amounts include leases as defined in GASB Statement No. 96, Subscription-Based Information Technology Arrangements.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year Ended June 30</u>	<u>General Obligation Bonds</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage Of Actual Taxable Value Of Property*</u>	<u>Per Capita**</u>
2023	\$ 12,135,000.00	\$ 12,135,000.00	0.95%	\$ Not Available
2022	13,285,000.00	13,285,000.00	1.06%	1,101
2021	14,380,000.00	14,380,000.00	1.17%	1,310
2020	15,435,000.00	15,435,000.00	1.27%	1,440
2019	16,465,000.00	16,465,000.00	1.38%	1,556
2018	17,445,000.00	17,445,000.00	1.63%	1,658
2017	18,380,000.00	18,380,000.00	1.73%	1,768
2016	19,320,000.00	19,320,000.00	1.84%	1,861
2015	20,240,000.00	20,240,000.00	1.95%	1,967
2014	21,115,000.00	21,115,000.00	2.05%	2,069

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

*See Exhibit J-6 for property tax data.

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023

	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share Of Overlapping Debt
Debt repaid with property taxes:			
Municipality**	\$ 10,776,378.11	100.00%	\$ 10,776,378.11
County general obligation debt	151,050,000.00	5.50%	8,307,750.00
Regional high school district**	28,605,000.00	38.36%	10,974,611.95
Subtotal - overlapping debt			30,058,740.06
District's direct debt			12,135,000.00
Total direct and overlapping debt			<u>\$ 42,193,740.06</u>

Source: Assessed value data used to estimate applicable percentages provided by the Gloucester County Board of Taxation.

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 the municipality. 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 outstanding debt.

** As of December 31, 2022 since June 30, 2023 was not available.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal debt margin calculation for fiscal year 2022:

Equalized valuation basis:

2022	\$ 1,545,546,296.00
2021	1,311,929,379.00
2020	1,226,508,608.00

\$ 4,083,984,283.00

Average equalized valuation of taxable property

\$ 1,361,328,094.33

Debt limit (2 1/2% of average equalized value)*

\$ 34,033,202.36

Total net debt applicable to limit

12,135,000.00

Legal debt margin

\$ 21,898,202.36

Debt limit

\$ 34,033,202.36

Total net debt applicable to limit

12,135,000.00

Legal debt margin

\$ 21,898,202.36

Total net debt applicable to the limit as a percentage of debt limit

35.66%

Source: Equalized valuation bases were obtained from the annual report of the State of New Jersey, Department of Treasury, Division of Taxation.

*Limit set by N.J.S.A. 18A:24-19 for a K-12 district; other percentage limits would be applicable for other district types.

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt limit	\$ 34,033,202.36	\$ 31,131,740.58	\$ 30,087,719.23	\$ 29,586,309.57	\$ 29,068,349.66	\$ 28,418,370.28	\$ 27,654,882.41	\$ 27,101,564.78	\$ 26,837,050.82	\$ 27,114,031.73
Total net debt applicable to limit	<u>12,135,000.00</u>	<u>13,285,000.00</u>	<u>14,380,000.00</u>	<u>15,435,000.00</u>	<u>16,465,000.00</u>	<u>17,445,000.00</u>	<u>18,380,000.00</u>	<u>19,320,000.00</u>	<u>20,240,000.00</u>	<u>21,115,000.00</u>
Legal debt margin	<u>\$ 21,898,202.36</u>	<u>\$ 17,846,740.58</u>	<u>\$ 15,707,719.23</u>	<u>\$ 14,151,309.57</u>	<u>\$ 12,603,349.66</u>	<u>\$ 10,973,370.28</u>	<u>\$ 9,274,882.41</u>	<u>\$ 7,781,564.78</u>	<u>\$ 6,597,050.82</u>	<u>\$ 5,999,031.73</u>

71.29%

66.46%

61.39%

56.64%

52.17%

47.79%

42.67%

35.66%

77.87%

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population*	Personal Income**	Per Capita Personal Income***	Unemployment Rate****
2022	12,110	Not Available	Not Available	3.00%
2021	12,106	757,266,618.00	\$ 62,553.00	6.60%
2020	10,975	662,736,350.00	60,386.00	7.00%
2019	10,719	605,612,781.00	56,499.00	2.70%
2018	10,583	579,366,335.00	54,745.00	3.10%
2017	10,520	552,363,120.00	52,506.00	3.60%
2016	10,396	519,862,376.00	50,006.00	3.70%
2015	10,380	506,533,620.00	48,799.00	4.20%
2014	10,292	479,638,076.00	46,603.00	5.50%
2013	10,205	460,949,645.00	45,169.00	7.30%

*Population information provided by the New Jersey Department of Labor and Workforce Development.

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

***Per capita personal income by municipality estimated based upon the census published by the U.S. Bureau of Economic Analysis.

****Unemployment data provided by the New Jersey Department of Labor and Workforce Development.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

Employer	2023		2014	
	Employees	Percentage Of Total Municipal Employment	Employees	Percentage Of Total Municipal Employment
Rowan University	3,500	30.98%		
Washington Township School District	1,505	13.32%		
Inspira Health Network	1,222	10.82%		
County of Gloucester	1,200	10.62%		
Monroe Township School District	902	7.98%		
Walmart - Turnersville	800	7.08%		
Jefferson Health	670	5.93%		
Aryzta LaBrea Bakery, Inc.	500	4.43%		
Keller Williams Realty	500	4.43%		
Honda of Turnersville	499	4.42%		
Inspira Health Network			1,825	15.82%
Kennedy Health Alliance			1,675	14.52%
Washington Township School District			1,598	13.85%
Rowan University			1,483	12.85%
County of Gloucester			1,425	12.35%
Missa Bay, LLC			950	8.23%
Monroe Township School District			792	6.86%
U.S. Foodservices			725	6.28%
Exxon Mobil Research Development			540	4.68%
Aryzta LaBrea Bakery, Inc.			525	4.55%
Total	11,298	100.00%	11,538	100.00%

Source: Gloucester County Office of Economic Development and Employer Directly.

Note: The information provided is for the County of Gloucester. Information at the municipal level is not available.

N/A - Information not available

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Full-Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	95.4	93.6	91.0	91.4	91.0	87.8	88.6	87.6	87.8	78.8
Special education	32.0	32.4	26.0	26.2	26.6	29.4	23.4	24.6	21.0	19.8
Other special education	0.0	0.0	0.0	0.0	3.8	0.0	0.0	0.0	0.0	0.0
Vocational	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other instruction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nonpublic school programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adults/continuing education programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support services:										
Tuition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Student and instruction related services	23.2	27.0	29.0	29.5	24.5	19.9	25.8	26.0	26.6	18.3
General administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administrative services	13.4	14.5	13.0	13.3	12.2	14.2	12.8	13.3	11.7	10.3
Business administrative services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Plant operations and maintenance	11.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Playground aides	8.7	9.0	9.0	8.8	9.0	8.5	9.4	9.0	7.4	8.2
Pupil transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Special schools	0.0	0.0	0.0	0.0	6.3	0.0	0.0	0.0	0.0	0.0
Food service	6.6	6.0	6.0	6.5	6.2	6.3	5.8	5.2	5.5	5.0
Child care	6.8	5.0	5.0	5.4	0.0	6.4	7.6	7.8	5.2	3.6
Total	203.1	201.5	194.0	196.1	194.6	187.5	188.4	188.5	180.2	159.0

Source: District personnel records.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures*	Cost Per Pupil	Percentage Change	Teaching Staff**	Pupil/Teacher Ratio Elementary	Average Daily Enrollment***	Average Daily Attendance***	Percentage Change In Average Daily Enrollment	Student Attendance Percentage
2023	1,275	\$ 25,997,569.05	\$ 20,390	15.75%	127.40	10.1:1	1,267.9	1,202.8	-2.77%	94.87%
2022	1,317	23,200,063.61	17,616	9.89%	126.00	10.4:1	1,304.1	1,250.2	0.70%	95.87%
2021	1,309	20,983,599.41	16,030	2.54%	117.00	11.1:1	1,295.0	1,261.0	-1.74%	97.37%
2020	1,311	20,495,317.37	15,633	2.38%	117.60	11.2:1	1,317.9	1,284.8	1.41%	97.49%
2019	1,286	19,636,392.62	15,269	3.75%	117.60	10.9:1	1,299.6	1,255.1	2.31%	96.57%
2018	1,274	18,749,276.25	14,717	3.99%	117.20	10.8:1	1,270.3	1,224.2	1.09%	96.37%
2017	1,262	17,860,288.19	14,152	4.39%	112.00	11.2:1	1,256.6	1,213.0	-0.82%	96.53%
2016	1,268	17,191,013.20	13,558	4.31%	112.20	11.3:1	1,267.0	1,223.0	3.01%	96.53%
2015	1,248	16,220,049.03	12,997	-7.69%	108.0	11.5:1	1,230.0	1,195.7	0.74%	97.21%
2014	1,221	17,191,013.02	14,079	4.60%	98.6	12.5:1	1,221.0	1,175.7	1.67%	96.29%

Source: District's records.

N/A = Not available.

Note: Enrollment based on annual October district count.

*Operating expenditures equal total expenditures less debt service and capital outlay.

**Teaching staff includes only full-time equivalents of certified staff.

***Average daily enrollment and average daily attendance are obtained from the school register summary.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District buildings:										
Elementary:										
Jeffrey Clark Elementary School (1972):										
Square feet	81,349	81,349	81,349	81,349	81,349	81,349	81,349	81,349	64,046	64,046
Capacity (students)	850	850	850	850	850	850	850	850	470	470
Enrollment	544	591	571	587	555	560	555	580	581	572
Samuel Mickle Elementary School (1992):										
Square feet	110,849	110,849	110,849	110,849	110,849	110,849	110,849	110,849	91,170	91,170
Capacity (students)	750	750	750	750	750	750	750	750	630	630
Enrollment	731	726	728	724	738	717	708	688	667	649
Other:										
Administration Building (1925):										
Square feet	0	0	0	0	0	0	0	0	4,518	4,518
Number of schools at June 30, 2023:										
Elementary = 2										

Source: District facilities office.

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

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance
 For School Facilities
 11-000-261-xxx

School Facilities*	Project Number	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Jeffrey Clark Building	N/A	\$ 112,070.76	\$ 66,321.77	\$ 73,918.11	\$ 59,959.98	\$ 53,688.48	\$ 42,194.42	\$ 36,348.12	\$ 68,383.66	\$ 34,504.46	\$ 39,506.93
Samuel Mickle Building	N/A	154,764.39	90,356.16	124,839.91	101,266.10	90,674.20	71,261.93	61,388.14	92,555.52	73,153.57	54,072.14
Total school facilities		<u>266,835.15</u>	<u>156,677.93</u>	<u>198,758.02</u>	<u>161,226.08</u>	<u>144,362.68</u>	<u>113,456.35</u>	<u>97,736.26</u>	<u>160,939.18</u>	<u>107,658.03</u>	<u>93,579.07</u>
Grand total		<u>\$ 266,835.15</u>	<u>\$ 156,677.93</u>	<u>\$ 198,758.02</u>	<u>\$ 161,226.08</u>	<u>\$ 144,362.68</u>	<u>\$ 113,456.35</u>	<u>\$ 97,736.26</u>	<u>\$ 160,939.18</u>	<u>\$ 107,658.03</u>	<u>\$ 93,579.07</u>

*School facilities as defined under EFCFA. (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

Source: District records.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT

Insurance Schedule

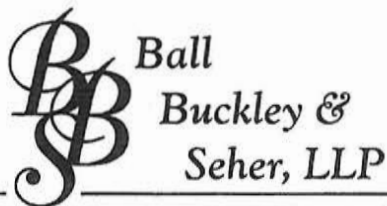
June 30, 2023

Unaudited

	Coverage	GCSSDJIF Self Insured Retention	Deductible
School package policy - Gloucester, Cumberland, Salem School Districts Joint Insurance Fund*:			
Property - blanket buildings and contents	\$ 150,000,000.00	\$ 250,000.00	\$ 500.00
Property valuation:			
Buildings and contents	Replacement Cost	N/A	N/A
Contractors equipment	Actual Cash Value	N/A	N/A
Automobiles	Replacement Cost	N/A	N/A
Boiler and machinery	125,000,000.00	None	1,000.00
Crime	500,000.00	250,000.00	500.00
General and automobile liability	15,000,000.00	250,000.00	None
Worker's compensation	Statutory	250,000.00	None
Educator's legal liability	15,000,000.00	100,000.00	None
Pollution legal liability	3,000,000.00	None	25,000.00
* Excess and reinsurance carriers involved:			
Property and crime		SPELLJIF, Selective Ins. Co. of America Axis Surplus Insurance Company Westchester Surplus Lines Ins. Co. Altera Excess & Surplus Ins. Co. Ironshore Specialty Insurance Co. Steadfast Insurance Co. RSUI Indemnity Co.	
General liability and automobile liability		SPELLJIF, Selective Ins. Co. of America	
Worker's compensation		SPELLJIF, Selective Ins. Co. of America	
Educator's legal liability		SPELLJIF, Selective Ins. Co. of America	
* Group purchase of primary insurance coverage carrier array			
Boiler and machinery		Travelers Insurance Company	
Pollution legal liability		ACE American Ins. Co.	
Cyber liability		Lloyd's of London	
Public employees' faithful performance blanket position bond - Ohio Casualty Insurance:			
Board secretary/business administrator	195,000.00	N/A	N/A
Food service director	3,000.00	N/A	N/A
Student accident insurance - Markel Insurance Company	1,000,000.00	N/A	N/A

Source: District records.

Single Audit Section



CERTIFIED PUBLIC ACCOUNTANTS



EXHIBIT K-1

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Township of East Greenwich School District
County of Gloucester
Mickleton, New Jersey

We have audited, 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, and in compliance with 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, and each major fund of the Board of Education of the Township of East Greenwich School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2023. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

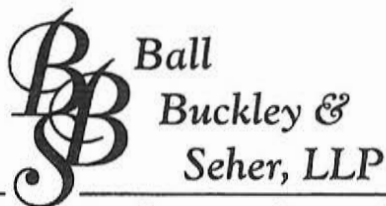
Ball, Buckley & Seher, LLP

BALL, BUCKLEY & SEHER, LLP
Certified Public Accountants
Woodbury, New Jersey

Wayne W. Buckley

Wayne W. Buckley
Licensed Public School Accountant No. 240

December 5, 2023



CERTIFIED PUBLIC ACCOUNTANTS



EXHIBIT K-2

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

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Township of East Greenwich School District
County of Gloucester
Mickleton, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Township of East Greenwich School District, County of Gloucester, State of New Jersey compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2023. The 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 District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Office of School Finance, Department of Education, State of New Jersey; Uniform Guidance; and New Jersey Circular 15-08-OMB will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with requirements of each major federal and state program as a whole.

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

Exercise professional judgement 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 District's compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

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

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies.

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 and 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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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 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.

Purpose of this Report

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

Respectfully submitted,

Ball, Buckley & Seher, LLP

BALL, BUCKLEY & SEHER, LLP
Certified Public Accountants
Woodbury, New Jersey

Wayne W. Buckley

Wayne W. Buckley
Licensed Public School Accountant No. 240

December 5, 2023

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022 (Accounts Receivable)	Unearned Revenue	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balances	(Accounts Receivable)	Balance at June 30, 2023 Unearned Revenue	Due to Grantor
U.S. Department of Agriculture Passed-Through State Department of Education: Enterprise fund: Food distribution program	10-550	N/A	07/01/22 - 6/30/23	\$ 32,070.54	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 32,070.54	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Healthy hunger - free kids	10-555	N/A	07/01/22 - 6/30/23	6,152.48	0.00	0.00	0.00	0.00	5,927.28	6,152.48	0.00	0.00	(225.20)	0.00	0.00
National school lunch program - supply chain assistance	10-555	COVID-19	07/01/22 - 6/30/23	42,702.32	0.00	0.00	0.00	0.00	42,702.32	42,702.32	0.00	0.00	0.00	0.00	0.00
National school lunch program	10-555	N/A	07/01/21 - 6/30/22	532,231.56	(33,739.69)	0.00	0.00	0.00	33,739.69	0.00	0.00	0.00	0.00	0.00	0.00
National school lunch program	10-555	N/A	07/01/22 - 6/30/23	84,932.70	0.00	0.00	0.00	0.00	81,831.55	84,932.70	0.00	0.00	(3,111.15)	0.00	0.00
					(33,739.69)	0.00	0.00	0.00	164,190.84	133,787.50	0.00	0.00	(3,336.35)	0.00	0.00
					(33,739.69)	0.00	0.00	0.00	196,261.38	165,838.04	0.00	0.00	(3,336.35)	0.00	0.00
Total enterprise fund															
U.S. Department of Education Passed-Through State Department of Education: Special revenue fund: Title I Part A	84-010	NCLB118023	09/01/22 - 08/31/23	44,066.00	0.00	0.00	0.00	0.00	44,066.00	0.00	0.00	0.00	0.00	0.00	0.00
Title II Part A, carryover	84-367	NCLB118022	09/01/21 - 08/31/22	12,892.00	(11,071.00)	0.00	0.00	0.00	6,024.25	6,024.25	0.00	0.00	0.00	0.00	0.00
Title II Part A	84-367	NCLB118023	09/01/22 - 08/31/23	14,412.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
					(11,071.00)	0.00	0.00	0.00	6,024.25	6,024.25	0.00	0.00	0.00	0.00	0.00
Title IV Part A	84-424A	NCLB118023	09/01/22 - 08/31/23	20,000.00	0.00	0.00	0.00	0.00	20,000.00	20,000.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, basic regular	84-027	IDEA118022	09/01/22 - 08/31/23	232,392.00	0.00	0.00	0.00	0.00	232,392.00	232,392.00	0.00	0.00	0.00	0.00	0.00
I.D.E.A. Part B, preschool	84-173	IDEA118022	09/01/22 - 08/31/23	14,201.00	0.00	0.00	0.00	0.00	14,201.00	14,201.00	0.00	0.00	0.00	0.00	0.00
CARES - school security grant	84-425D	CARES11022	08/01/20-09/30/22	66,486.00	(35,511.00)	0.00	0.00	0.00	35,511.00	0.00	0.00	0.00	0.00	0.00	0.00
CARES - learning acceleration	84-425D	CARES11023	08/01/20-09/30/22	25,000.00	0.00	995.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	995.00	0.00
CARES - mental health	84-425D	CARES11023	08/01/20-09/30/22	45,000.00	0.00	995.00	0.00	0.00	12,993.10	12,993.10	0.00	0.00	0.00	0.00	0.00
					(35,511.00)	995.00	0.00	0.00	48,504.10	12,993.10	0.00	0.00	0.00	995.00	0.00
COVID-19 ARP - learning acceleration	84-425U	S425U210027	09/01/21-08/31/22	114,724.00	0.00	38,151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38,151.00	0.00
COVID-19 ARP - mental health	84-425U	S425U210027	09/01/21-08/31/22	45,000.00	0.00	13,966.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,966.00	0.00
COVID-19 ARP - ESSER I	84-425U	S425U210027	09/01/22-08/31/23	450,697.00	0.00	0.00	0.00	0.00	369,849.00	432,697.00	0.00	0.00	(62,848.00)	0.00	0.00
COVID-19 ARP - summer enrichment	84-425U	S425U210027	09/01/22-08/31/23	40,000.00	0.00	0.00	0.00	0.00	8,680.35	8,680.35	0.00	0.00	0.00	0.00	0.00
					0.00	52,117.00	0.00	0.00	378,529.35	441,377.35	0.00	0.00	(62,848.00)	52,117.00	0.00
					(46,582.00)	53,112.00	0.00	0.00	743,716.70	771,053.70	0.00	0.00	(62,848.00)	53,112.00	0.00
Total special revenue fund															
Total federal financial awards															
					\$ (80,321.69)	\$ 53,112.00	\$ 0.00	\$ 0.00	\$ 939,978.08	\$ 916,911.74	\$ 0.00	\$ 0.00	\$ (66,184.25)	\$ 53,112.00	\$ 0.00

See accompanying notes to schedules of financial assistance.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2023

State Grant/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Adjustments/ Reapportionment of Prior Years' Balances	Balance at June 30, 2023		Memo	
				(Accounts Receivable)	(Accounts Receivable)				(Accounts Receivable)	(Accounts Receivable)	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:												
General fund:												
Equalization aid	22-495-034-5120-078	07/01/21 - 06/30/22	\$ 4,283,150.00	\$ (407,938.24)	\$ 402,958.24	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Special education categorical aid	22-495-034-5120-078	07/01/22 - 06/30/23	5,434,155.00	0.00	4,929,356.00	0.00	5,434,155.00	0.00	(504,799.00)	504,799.00	5,434,155.00	5,434,155.00
Special education categorical aid	22-495-034-5120-089	07/01/21 - 06/30/22	1,082,596.00	(101,850.50)	101,850.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Security aid	22-495-034-5120-089	07/01/22 - 06/30/23	1,082,596.00	0.00	962,308.00	0.00	1,082,596.00	0.00	(120,288.00)	120,288.00	1,082,596.00	1,082,596.00
Extraordinary aid	22-495-034-5120-084	07/01/21 - 06/30/22	106,343.00	(10,004.74)	10,004.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary aid	22-495-034-5120-084	07/01/22 - 06/30/23	106,343.00	0.00	94,527.00	0.00	106,343.00	0.00	(11,816.00)	11,816.00	106,343.00	106,343.00
Extraordinary aid	22-100-034-5120-473	07/01/21 - 06/30/22	105,458.00	(105,458.00)	105,458.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary aid	22-100-034-5120-473	07/01/22 - 06/30/23	125,682.00	0.00	0.00	0.00	125,682.00	0.00	(125,682.00)	125,682.00	125,682.00	125,682.00
Transportation aid	22-495-034-5120-014	07/01/21 - 06/30/22	593,363.00	(55,823.52)	55,823.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation aid	23-495-034-5120-014	07/01/22 - 06/30/23	593,363.00	0.00	527,435.00	0.00	593,363.00	0.00	(65,928.00)	65,928.00	593,363.00	593,363.00
Reimbursement of nonpublic transportation costs	22-495-034-5120-068	07/01/21 - 06/30/22	30,740.00	(30,740.00)	30,740.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursement of nonpublic transportation costs	23-495-034-5120-068	07/01/22 - 06/30/23	31,824.00	0.00	0.00	0.00	31,824.00	0.00	(31,824.00)	31,824.00	31,824.00	31,824.00
On-behalf T.P.A.F. pension contributions	22-495-034-5094-002	07/01/22 - 06/30/23	3,130,880.00	0.00	3,130,880.00	0.00	3,130,880.00	0.00	0.00	0.00	0.00	3,130,880.00
On-behalf T.P.A.F. long-term disability insurance	23-495-034-5094-004	07/01/22 - 06/30/23	1,722.00	0.00	1,722.00	0.00	1,722.00	0.00	0.00	0.00	0.00	1,722.00
On-behalf T.P.A.F. post-retirement medical contributions	23-495-034-5094-001	07/01/22 - 06/30/23	822,475.00	0.00	822,475.00	0.00	822,475.00	0.00	0.00	0.00	0.00	822,475.00
Reimbursed T.P.A.F. social security contributions	22-495-034-5094-003	07/01/21 - 06/30/22	673,526.51	(33,047.20)	33,047.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursed T.P.A.F. social security contributions	23-495-034-5094-003	07/01/22 - 06/30/23	664,280.30	0.00	600,057.40	0.00	664,280.30	0.00	(64,222.90)	64,222.90	664,280.30	664,280.30
Total general fund				(33,047.20)	633,104.60	0.00	664,280.30	0.00	(64,222.90)	64,222.90	664,280.30	664,280.30
Special revenue fund:												
SDA emergent and capital maintenance need	Unavailable	07/01/22 - 06/30/23	29,555.00	0.00	29,555.00	0.00	29,555.00	0.00	0.00	0.00	0.00	29,555.00
Total special revenue fund				0.00	29,555.00	0.00	29,555.00	0.00	0.00	0.00	0.00	29,555.00
State Department of Agriculture:												
Enterprise fund:												
National school lunch program (state share)	22-100-010-3350-023	07/01/21 - 06/30/22	12,501.64	(771.65)	771.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00
National school lunch program (state share)	23-100-010-3350-023	07/01/22 - 06/30/23	5,149.49	0.00	4,960.29	0.00	5,149.49	0.00	(189.20)	189.20	5,149.49	5,149.49
Total enterprise fund				(771.65)	5,731.94	0.00	5,149.49	0.00	(189.20)	189.20	5,149.49	5,149.49
Total state financial assistance				\$ (740,653.85)	\$ 11,843,929.54	\$ 11,843,929.54	12,028,024.79	\$ 0.00	\$ (924,749.10)	\$ 924,749.10	\$ 12,028,024.79	\$ 12,028,024.79
Less: On-behalf TPAF pension system contributions:												
On-behalf T.P.A.F. pension contributions	23-495-034-5094-002						(3,130,880.00)					
On-behalf T.P.A.F. long-term disability insurance	23-495-034-5094-004						(1,722.00)					
On-behalf T.P.A.F. post-retirement medical contributions	23-495-034-5094-001						(822,475.00)					
Total for state financial assistance - major program determination							\$ 8,072,947.79					

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance include the activity of all federal and state award activity of the Board of Education, East Greenwich Township School District. The Board of Education is defined in Note 1 to the Board's 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 State of New Jersey OMB 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 are included on the schedules of expenditures of federal awards and state financial assistance. Because these schedules present only a selected portion of the operations of the District, it is not intended to and does not present the financial position and changes in operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise funds are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Such expenditures are recognized following, as applicable, the cost principles contained in 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 State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 4 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund, the special revenue fund, and capital projects 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 one or more state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more 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 one or more state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2. The capital projects fund is presented in the accompanying schedules on the modified accrual basis of accounting.

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023

NOTE 4 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Concluded)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$132,194.00) for the general fund. See the Notes to Required Supplementary Information (Exhibit C-3) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund and special revenue fund.

Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General fund	\$ 7,220.48	\$11,861,126.30	\$11,868,346.78
Special revenue fund	771,053.70	29,555.00	800,608.70
Food service fund	<u>165,858.04</u>	<u>60,275.08</u>	<u>226,133.12</u>
Total awards and financial assistance	<u>\$ 944,132.22</u>	<u>\$11,950,956.38</u>	<u>\$12,895,088.60</u>

NOTE 5 - 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 6 - ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent rounding adjustments.

NOTE 7 - REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2023, the District was the recipient of federal and state assistance that represented either a reimbursement to the District or payments made on-behalf of the District. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively, of American-Grown United States Department of Agriculture foods utilized in the District's food service program. 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 fiscal year. Lastly, the District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, long-term disability insurance, and post-retirement medical costs related to TPAF members.

NOTE 8 - MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

1) Material weakness(es) identified?

_____ yes X no

2) Significant deficiencies identified?

_____ yes X none reported

Noncompliance material to basic financial statements noted?

_____ yes X no

Federal Awards

Internal Control over compliance:

1) Material weakness(es) identified?

_____ yes X no

2) Significant deficiencies identified?

_____ yes X none reported

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

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)?

_____ yes X no

Identification of major programs:

<u>CFDA Numbers(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027	I.D.E.A. Part B, basic regular
84.173	I.D.E.A. Part B, preschool
84-425D	CARES

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

\$750,000.00

Auditee qualified as low-risk auditee?

_____ yes X no

EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023

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

State Awards

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

\$750,000.00

Auditee qualified as low-risk auditee?

_____ yes X no _____ N/A

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

Unmodified Opinion

Internal Control over major programs:

1) Material weakness(es) identified?

_____ yes X no

2) Significant deficiencies identified that were not considered to be material weaknesses?

_____ yes X none reported

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08?

_____ yes X no

Identification of major programs:

<u>GMIS Numbers(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-078</u>	<u>Equalization aid</u>
<u>495-034-5120-089</u>	<u>Special education categorical aid</u>
<u>495-034-5120-084</u>	<u>Security aid</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF social security contributions</u>
<u>495-034-5120-068</u>	<u>Transportation aid</u>
<u>495-034-5120-473</u>	<u>Extraordinary aid</u>

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2023**

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the 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.

Finding 23-0

No Current Year Findings.

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

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

Federal and State Awards

Finding 23-0

No Current Year Findings or Questioned Costs.

**EAST GREENWICH TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
JUNE 30, 2023**

This section identifies the status of prior year findings related to the basic financial statements and 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 Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08.

Status of Prior Year Findings

Finding 22-0

There were no prior year audit findings.