

SCHOOL DISTRICT
OF
EGG HARBOR
TOWNSHIP

Egg Harbor Township Board of Education
Egg Harbor Township, New Jersey

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

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Introductory Section

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Egg Harbor Township Schools

www.eht.k12.nj.us

Administration Offices
13 Swift Drive
Egg Harbor Township, NJ 08234#

Dr. Kimberly A. Gruccio
Superintendent

Mr. Daniel Smith
Business Administrator/Board Secretary

January 25, 2024

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

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendment of 1996 and the US Office of Management and Budget Uniform Guidance, and the New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Egg Harbor Township School District is a pre-kindergarten through twelfth grade system of quality public education serving approximately 7,500 students. There are three Pre-K facilities, (two outside partnerships with providers), two K to 1st grade schools, two 2nd to 3rd grade schools, one 4th and 5th grade school, two middle schools, and one high school that meets alternative school student needs. The school district covers over 64 square miles and is considered the largest school district in Atlantic County. Egg Harbor Township is home to a diverse population, with housing ranging from million-dollar homes to federally funded housing units. The population consists of 42% white students, 23% Hispanic, 14% Asian, 10% black, 11% multi-racial/other. District data shows that at least 55 different languages are spoken in students' homes.

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

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

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

3) **MAJOR INITIATIVES:** During the 2022-2023 school year, the Egg Harbor Township School District began to implement a focus on student success, social and emotional learning, S.T.R.E.A.M. (Science, Technology, Reading, Engineering, Art, and Mathematics), climate and culture, and community partnerships by implementing the following mission statement and district goals:

Mission Statement:

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

District Goals:

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

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

Curriculum and professional development activities:

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

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

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

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

Information Technology Services

HARDWARE:

- A district-wide inventory of hardware with the focus of maintaining the minimum 1:1 student to computer ratios across the District was performed This was accomplished via desktop computers and Chromebooks utilizing the District Wi-Fi network with approximately 99% coverage within the schools with access to over 300 access points. Current 1:1 plan includes Student access to carts in every classroom in grades 1-5. Grades 6-12 are provided student take home devices. PreK and Kindergarten maintain a ratio of approximately 2:1 access via Chrome tablets.
- Repair tickets documented in the GoFMXt application totaled over 1,500. The number of Help Desk calls during the 2022-2023 school year totaled over 3,100 including Chromebook Support.
- Completed network Backbone upgrades including WAN and Fiber network to increase backbone networks speeds to 10Gbps.
- Continued replacement plan of District Data Network equipment such as Switching Devices and Servers.

COMMUNICATIONS

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

ETTC:

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

EHT TV2:

- The community/district broadcast channel, EHT TV2 has continued to provide excellent programming during 2022-2023 school These productions range from various High School sports and performing arts productions, informative sessions such as the "Pursuing Public Health" and township productions such as the "Mayor's Forum" and the recording of monthly municipal town hall meetings. The district also now live streams many high school sporting events, graduation, and major events as requested.
- The department utilizes the Telvue Video Message Board System and digital video servers for video programming. This also includes PEGTV video archives for distribution on the internet, live internet distribution of the EHTTV2 video channels and other emergency management features through the new interface.
- The department utilizes other forms of communication for marketing, productions, and other district events, and student, parent, and staff training such as: YouTube, Facebook, and other social media services.

SOFTWARE/ASSESSMENTS/NJSLA:

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

SECURITY:

Completion of the surveillance system upgrades district wide, completing all elementary schools during the 2022-2023 School Year. Additionally, the district completed the replacement of the door access control system during the 2022-2023 School Year. The district continually evaluates security and remains ahead of the curve across Atlantic County.

NJSMArt (NJ Standards Measurement and Resource for Teaching)

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

STUDENT INFORMATION SYSTEM:

- Standard support and upgrades of Infinite Campus were conducted throughout the 2022-2023 school year. This included implementation of the Online Registration System.

Extended Enrichment

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

TALONS

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

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

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

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

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

Perkins/CTE Grant Implementation

Perkins is a federal education program that invests in secondary career and technical education (CTE) programs. The purpose is to increase learner access to high skill, high wage, and in demand occupations. FY 2023 Perkins/CTE funds paid for program supplies, students certification testing, and professional development opportunities for staff. The current NJDOE approved CTE Perkins programming includes Graphics Design, Web Design, CAD/Engineering, Telecommunications and Networking, Business Administration, Child Development, and Culinary Arts.

Individuals with Disabilities Education Act (IDEIA) Grant Implementation

FY 2023 IDEIA funds paid for in out of district tuition placements for EHT disabled students from preschool through grade 12. Funds were also used to pay for substitutes for teachers to attend annual review meetings as well as to provide for CST services throughout the summer and to fund the Extended School Year program for those students who exhibit significant regression and require a long time to recoup the information.

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

ESSA-NCLB Grant Implementation

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

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

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

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

Title III funds were utilized to pay for two split funded English Language Learners (ELL) teachers as well as for instructional supplies. During 2022-2023, ELL students district-wide, received ELL services consistent with Title III. We continue to implement a four year “cycle” for coursework with ELL high school students. This is designed to help ELL students meet required state test standards as well as the revised WIDA standards which are assessed by the ACCESS testing, additional state testing for ELL students.

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

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

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

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

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

6) **ACCOUNTING SYSTEM AND REPORTS:** The District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements,” Note 1.

7) **DEBT ADMINISTRATION:** At June 30, 2023, the District’s outstanding debt issues included \$47,300,000 in bonds. The proceeds of these bond issues were to provide funds for capital improvement to the District’s buildings. These improvements include repairs and renovations to the High School, Davenport, Slaybaugh and Swift elementary schools, additions to the High School and Swift elementary school, the construction of two new elementary schools as well as another addition to the High School, boiler and chiller replacements, window replacements, roof replacements, solar panel installation, upgrades to the high school athletic complex, and the construction of a fueling canopy.

8) **OTHER INFORMATION:**

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

and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



Kimberly A. Gruccio, Ed. D.
Superintendent



Daniel Smith
School Business Administrator/
Board Secretary

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EGG HARBOR TOWNSHIP BOARD OF EDUCATION

EGG HARBOR TOWNSHIP, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Barbara Szilagyi, President	2024
Marita Sullivan, Vice President	2025
Regina Bongiorno	2024
Lou Della Barca	2025
Tamika Gilbert-Floyd	2023
Juanita Hyman	2024
Patrick Ireland	2023
Michael Price	2023
Nicholas Seppy	2025

Other Officials

Kimberly Gruccio, Ed.D., Superintendent

Daniel Smith, Board Secretary/Business Administrator

Amy Houck-Elco, Esq., Solicitor

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

Architect

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

Audit Firm

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

Attorney

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

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

Bond Counsel

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

Official Depository

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

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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Egg Harbor Township School District, Egg Harbor Township, New Jersey, as of and for the fiscal year ended June 30, 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, each major fund, and the aggregate remaining fund information of the Egg Harbor Township School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2024 on our consideration of the Egg Harbor Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Egg Harbor Township School District's internal control over financial reporting and compliance.

Very truly yours,

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

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

January 25, 2024

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Required Supplementary Information
Part I

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The Discussion and Analysis of the Egg Harbor Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- In total, net position increased by \$20,466,030, which represents a 28% percent increase from 2022.
- General revenues accounted for \$162,407,794 or 77 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$48,021,370 or 29 percent of total revenues of \$210,429,164.
- Total assets of governmental activities increased by \$5,679,186 as cash and cash equivalents increased by \$5,183,665, receivables decreased by \$2,447,238, and capital assets increased by \$2,293,785.
- The School District had \$189,963,134 in expenses, only \$48,021,370 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and grants and entitlements) of \$162,407,794 were adequate to provide for the majority of these programs.
- Among governmental funds, the General Fund had \$186,199,571 in revenues and \$181,680,053 in expenditures. The General Fund's fund balance increased \$4,519,518 over 2022.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

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

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

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Government-wide Statements

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

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

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

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

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

Fund Financial Statements

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

The District has three kinds of funds:

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

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Notes to the Financial Statements

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

The School District as a Whole

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

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

Table 1 provides a summary of the School District's net position for 2023 and 2022.

	2023	2022
Assets		
Current and Other Assets	\$ 37,448,856	35,613,364
Capital Assets	149,224,507	144,846,147
Total Assets	186,673,363	180,459,511
Deferred Outflow of Resources		
Loss of Refunding of Long Term Debt	2,843,449	3,009,741
Deferred Outflows Related to Pensions	3,465,770	3,128,463
Total Deferred Outflows	6,309,219	6,138,204
Liabilities		
Long-Term Liabilities	80,895,854	82,408,997
Other Liabilities	12,023,342	13,198,613
Total Liabilities	92,919,196	95,607,610
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	5,280,705	16,541,060
Bond Premiums	356,567	520,515
Total Deferred Inflows	5,637,272	17,061,575
Net Position		
Net Investment in Capital Assets	109,773,117	98,369,679
Restricted	14,970,247	4,708,486
Unrestricted	(30,317,250)	(29,149,635)
Total Net Position	\$ 94,426,114	73,928,530

The School District's combined net position were \$94,426,114 on June 30, 2023. This was an increase of \$20,466,030 or almost 28 percent from the prior year.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Table 2 shows changes in net position for fiscal year 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 2,464,875	1,429,731
Operating Grants and Contributions	45,556,495	59,882,921
General Revenues:		
Property Taxes	85,728,074	86,593,583
Grants and Entitlements	75,267,097	65,478,665
Other	1,412,623	315,995
Total Revenues	<u>210,429,164</u>	<u>213,700,895</u>
Program Expenses		
Instruction	100,335,834	116,671,663
Support Services:		
Tuition	1,751,980	2,212,909
Student and Instruction Related Services	33,390,689	42,642,176
General Administration, School Administration	12,732,150	9,485,804
Operations and Maintenance of Facilities	20,797,437	18,158,986
Pupil Transportation	14,071,194	10,173,662
Interest on Debt	2,505,663	2,525,217
Food Service	3,936,592	3,785,693
Other Enterprise Funds	441,595	202,237
Total Expenses	<u>189,963,134</u>	<u>205,858,347</u>
Increase (decrease) in Net Position	<u>\$ 20,466,030</u>	<u>7,842,548</u>

Governmental Activities

Property taxes made up 42 percent of revenues for governmental activities for the Egg Harbor Township School District for fiscal year 2023. The District's total revenues from governmental activities were \$205,596,259 for the year ended June 30, 2023. Federal, state, and local grants accounted for 57 percent of this revenue.

Business-type Activities

Operating revenues of the District's business-type activities increased \$1,172,816 from the previous year while expenses increased by \$390,257. Factors contributing to these results included:

- Increased participation in the food service program with more paid meals as compared to the prior year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

For of the year ended June 30, 2023, the governmental funds reported a combined fund balance of \$20,012,127, which is \$4,287,738 more than the beginning of the year. This increase is due primarily to close monitoring of expenditures and unanticipated extraordinary aid.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The business-type enterprise fund reported a combined net position of \$2,978,133 as of June 30, 2023. This is \$486,272 higher than the prior fiscal year.

General Fund Budgetary Highlights

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

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf TPAF Pension Contributions, which are not budgeted, the District's budgeted revenue exceeded the actual by \$3,829,852. This is a result of additional extraordinary aid as well as realizing additional tuition revenue. Again, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions and capital leases, actual expenditures were below the budgeted appropriations by \$10,815,516.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

For FY 2023, the District had invested \$152,475,813, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, vehicles and machinery. This amount represents a net increase (including additions and deductions) of \$4,378,360, or 3%, over last year. The increase is due to projects within the District offset by current year depreciation expense.

Table 3

	2023	2022
Land	\$ 1,836,300	\$ 1,836,300
Construction in Progress	10,234,329	3,148,641
Land Improvements	3,681,485	4,068,101
Sites, Buildings and Building Improvements	126,559,891	131,239,574
Machinery and Equipment	3,889,674	2,309,424
Vehicles	3,022,828	2,244,107
Total	\$ 149,224,507	\$ 144,846,147

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

Debt Administration

At June 30, 2023, the School District had \$47,067,829 of outstanding debt. Of this amount, \$1,878,251 is for compensated absences, \$40,395,000 of serial bonds for school construction, \$3,251,306 for various capital leases and \$1,543,272 is the balance on the premium from the Bond Sale.

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

	<u>2023</u>	<u>2022</u>
2004 General Obligation Refunding Bonds	\$ 14,160,000.00	18,380,000.00
2012 General Obligation Bonds	855,000.00	1,690,000.00
2016 General Obligation Bonds	13,010,000.00	13,070,000.00
2016 General Obligation Bonds	12,370,000.00	14,160,000.00
Premium on Bond Sale	1,543,272.00	1,665,694.00
Compensated Balances	1,878,251.00	1,768,202.00
Capital Leases	3,251,306.00	5,276,629.00
Total	<u>\$ 47,067,829.00</u>	<u>56,010,525.00</u>

At June 30, 2023, the School District was within its legal debt margin. For more detailed information, please refer to the Notes to the Financial Statements and Schedule J-13 in the statistical section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The district's 2023-24 tax levy was not required to be approved by the voters due to the district moving the annual election to November, in accordance with State statute. The statute provides districts the option to move their school elections to the general election in November, and tax levies within the statutory cap. The 2023-24 tax levy is \$79,979,912, which created banked cap of \$7,065,641. The District's 2022-2023 state aid of \$81,291,694 increased by \$11,116,880 from the 2021-22 amended allocation due to additional funding required to ensure fair funding.

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

EFFECTS OF COVID-19 ON THE DISTRICT'S OPERATIONS

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

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

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DISTRICT - WIDE FINANCIAL STATEMENTS

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 18,056,233	2,682,752	20,738,985
Receivables, net	12,431,631	295,235	12,726,866
Internal balances	72,341	(72,341)	-
Inventory		92,730	92,730
Other Assets	638,025	944	638,969
Right to Use Leased Asset	3,251,306		3,251,306
Capital assets not being depreciated			
Construction in progress	10,234,329		10,234,329
Land	1,836,300		1,836,300
Capital assets, net	136,897,991	255,887	137,153,878
Total Assets	<u>183,418,156</u>	<u>3,255,207</u>	<u>186,673,363</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on bond issue refunding	2,843,449		2,843,449
Deferred outflows related to pensions	3,465,770		3,465,770
Total Deferred Outflows of Resources	<u>6,309,219</u>	<u>-</u>	<u>6,309,219</u>
LIABILITIES			
Accounts payable	8,279,802	60,927	8,340,729
Other liabilities	423,217	71,242	494,459
Payable to state government	17,489		17,489
Accrued interest	650,723		650,723
Unearned revenue	2,465,595	54,347	2,519,942
Noncurrent liabilities:			
Due within one year	9,271,055		9,271,055
Due beyond one year	37,706,216	90,558	37,796,774
Net Pension Liability	33,828,025		33,828,025
Total liabilities	<u>92,642,122</u>	<u>277,074</u>	<u>92,919,196</u>
DEFERRED INFLOWS OF RESOURCES			
Gain on bond issue refunding	356,567		356,567
Deferred inflows related to pensions	5,280,705		5,280,705
Total Deferred Inflows of Resources	<u>5,637,272</u>	<u>-</u>	<u>5,637,272</u>
NET POSITION			
Invested in capital assets, net of related debt	109,517,230	255,887	109,773,117
Restricted for:			
Debt service	191,280		191,280
Capital projects	8,522,354		8,522,354
Maintenance reserve	394,000		394,000
Excess surplus	3,756,065		3,756,065
Unemployment compensation	1,630,212		1,630,212
Student activities	476,336		476,336
Unrestricted	(33,039,496)	2,722,246	(30,317,250)
Total net position	<u>\$ 91,447,981</u>	<u>2,978,133</u>	<u>94,426,114</u>

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental activities:								
Instruction:								
Regular	\$ 38,976,694	23,438,635	659,437	8,917,267	(52,838,625)		(52,838,625)	
Special education	21,151,092	7,283,993		11,379,431	(17,055,654)		(17,055,654)	
Other special instruction	4,136,284	2,369,017		901,296	(5,604,005)		(5,604,005)	
Other instruction	1,813,733	914,100		347,771	(2,380,062)		(2,380,062)	
Nonpublic school programs	252,286			252,286	-		-	
Support services:								
Tuition	1,751,980				(1,751,980)		(1,751,980)	
Student & instruction related services	23,546,737	9,843,952		8,882,546	(24,508,143)		(24,508,143)	
School administrative services	4,117,284	3,240,498		1,232,853	(6,124,929)		(6,124,929)	
General and business administrative services	3,315,455	2,058,913		783,316	(4,591,052)		(4,591,052)	
Plant operations and maintenance	13,033,818	7,763,619		7,721,916	(13,075,521)		(13,075,521)	
Pupil transportation	8,467,409	5,603,785		2,131,969	(11,939,225)		(11,939,225)	
Unallocated benefits	62,516,512	(62,516,512)						
Interest on long-term debt	2,505,663				(2,505,663)		(2,505,663)	
Total governmental activities	<u>185,584,947</u>	<u>-</u>	<u>659,437</u>	<u>42,550,651</u>	<u>(142,374,859)</u>	<u>-</u>	<u>(142,374,859)</u>	
Business-type activities:								
Food Service	3,936,592		1,215,819	3,005,844		285,071	285,071	
Child Care	438,105		589,619	-		151,514	151,514	
Eagle Enterprises	3,490					(3,490)	(3,490)	
Total business-type activities	<u>4,378,187</u>	<u>-</u>	<u>1,805,438</u>	<u>3,005,844</u>	<u>(142,374,859)</u>	<u>433,095</u>	<u>433,095</u>	
Total primary government	<u>\$ 189,963,134</u>		<u>2,464,875</u>	<u>45,556,495</u>		<u>433,095</u>	<u>(141,941,764)</u>	
General revenues:								
Taxes:								
Property taxes, levied for general purposes, net					80,227,652		80,227,652	
Taxes levied for debt service					5,500,422		5,500,422	
Federal and State aid not restricted					72,014,785		72,014,785	
Federal and State aid restricted					3,252,312		3,252,312	
Investment Earnings					3,000	21,623	24,623	
Miscellaneous Income					738,925		738,925	
Other financing sources/(uses):								
Gain/(Loss) on disposal of capital assets					(112,844)	-	(112,844)	
Adjustment to Capital Assets					761,919		761,919	
Total general revenues and special items					<u>162,386,171</u>	<u>21,623</u>	<u>162,407,794</u>	
Change in Net Position					<u>20,011,312</u>	<u>454,718</u>	<u>20,466,030</u>	
Net Position—beginning (Restated)					<u>71,436,669</u>	<u>2,491,861</u>	<u>73,928,530</u>	
Net Position—ending					<u>\$ 91,447,981</u>	<u>2,946,579</u>	<u>94,394,560</u>	

The accompanying notes are an integral part of these financial statements

FUND FINANCIAL STATEMENTS

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 17,243,652	621,301	\$ 191,280	\$ 18,056,233
Intergovernmental Accounts Receivable:				
Federal	-	3,076,226		3,076,226
State	2,717,876	203,049		2,920,925
Other	1,429,180	24,696		1,453,876
Other Accounts Receivable	95,801	4,884,803	-	4,980,604
Interfund Accounts Receivable	1,221,692			1,221,692
Other Current Assets	638,025			638,025
Total assets	23,346,226	8,810,075	191,280	32,347,581
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	2,932,381	5,347,421		8,279,802
Due to other governments		17,489		17,489
Interfund Accounts Payable		1,149,351		1,149,351
Other liabilities	122,884			122,884
Payroll Deductions and Withholdings	11,798			11,798
Unemployment Compensation Claims	288,535			288,535
Unearned revenue	27,981	2,437,614		2,465,595
Total liabilities	3,383,579	8,951,875	-	12,335,454
Fund Balances:				
Restricted for:				
Excess Surplus	3,636,176			3,636,176
Excess Surplus - Designated for Subsequent Year's Expenditures	119,889			119,889
Capital Reserve Fund	8,522,354			8,522,354
Maintenance Reserve Fund	394,000			394,000
Unemployment Compensation	1,630,212			1,630,212
Debt service fund			191,280	191,280
Conduit		37,232		37,232
Student Activities/Athletics		439,104		439,104
Assigned to:				
Encumbrances	4,256,032			4,256,032
Designated for subsequent year's expenditures	3,100,000		-	3,100,000
Unassigned, reported in:				
General fund	(1,696,016)			(1,696,016)
Special Revenue fund		(618,136)		(618,136)
Total Fund balances	19,962,647	(141,800)	191,280	20,012,127
Total liabilities and fund balances	\$ 23,346,226	8,810,075	191,280	

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

<p>Amounts reported for governmental activities in the statement of net position (A-1) are different because:</p> <p style="padding-left: 20px;">Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>	148,968,620
<p style="padding-left: 20px;">Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>	3,251,306
<p>Deferred inflow of resources</p> <p style="padding-left: 20px;">Gain on 10/1/04 refunding bond issue</p>	(356,567)
<p>Deferred outflows of resources</p> <p style="padding-left: 20px;">Loss on 1/6/16 refunding bond issue</p> <p style="padding-left: 20px;">Loss on 6/1/16 refunding bond issue</p> <p style="padding-left: 20px;">Loss on 12/1/12 refunding bond issue</p>	1,839,744 988,599 15,106
<p style="padding-left: 20px;">Long-term pension liabilities are not due and payable in the current period and therefore are not reported in the funds</p>	(35,642,960)
<p style="padding-left: 20px;">Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the current period and therefore are not reported in the funds.</p> <p style="padding-left: 40px;">Bond payable</p> <p style="padding-left: 40px;">Premium on Refunding Bonds</p> <p style="padding-left: 40px;">Capital leases</p> <p style="padding-left: 40px;">Compensated absences</p> <p style="padding-left: 40px;">Accrued interest payable</p>	(40,395,000) (1,543,272) (3,251,306) (1,787,693) (650,723)
<p>Net position of governmental activities</p>	<p>\$ 91,447,981</p>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local tax levy	\$ 80,227,652		5,500,422	85,728,074
Tuition Charges	659,437			659,437
Interest	3,000			3,000
Miscellaneous	738,925		-	738,925
Local sources		4,952,126		4,952,126
State sources	104,219,544	6,443,697	3,252,312	113,915,553
Federal sources	351,013	7,370,319		7,721,332
Total revenues	<u>186,199,571</u>	<u>18,766,142</u>	<u>8,752,734</u>	<u>213,718,447</u>
EXPENDITURES				
Current:				
Regular instruction	43,912,529			43,912,529
Special education instruction	12,917,500	8,608,224		21,525,724
Other special instruction	4,258,128			4,258,128
Other instruction	1,860,748			1,860,748
Nonpublic school programs		252,286		252,286
Support services and undistributed costs:				
Tuition	1,751,980			1,751,980
Student & instruction related services	16,983,858	7,069,175		24,053,033
School administrative services	4,283,950			4,283,950
Other administrative services	3,421,350			3,421,350
Plant operations and maintenance	13,433,119			13,433,119
Pupil transportation	8,755,628			8,755,628
Unallocated Benefits	62,516,512			62,516,512
Debt service:				
Principal			6,905,000	6,905,000
Interest and other charges	543,141		1,847,737	2,390,878
Capital outlay	5,676,610	4,768,234		10,444,844
Total expenditures	<u>180,315,053</u>	<u>20,697,919</u>	<u>8,752,737</u>	<u>209,765,709</u>
Excess (Deficiency) of revenues over expenditures	<u>5,884,518</u>	<u>(1,931,777)</u>	<u>(3)</u>	<u>3,952,738</u>
OTHER FINANCING SOURCES (USES)				
Capital leases (non-budgeted)	335,000			335,000
Transfers in		1,700,000	-	1,700,000
Transfers out	(1,700,000)			(1,700,000)
Total other financing sources and uses	<u>(1,365,000)</u>	<u>1,700,000</u>	<u>-</u>	<u>335,000</u>
Net change in fund balances	<u>4,519,518</u>	<u>(231,777)</u>	<u>(3)</u>	<u>4,287,738</u>
Fund balance—July 1	<u>15,443,129</u>	<u>89,977</u>	<u>191,283</u>	<u>15,724,389</u>
Fund balance—June 30	<u>\$ 19,962,647</u>	<u>(141,800)</u>	<u>191,280</u>	<u>20,012,127</u>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2023

Total net change in fund balances - governmental funds (from B-2) \$ 4,287,738

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

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

This is the amount by which capital outlays exceeded depreciation in the period.

	Depreciation expense	(9,627,002)	
	Loss on disposition of capital assets	(112,844)	
	Adjustment to Capital Assets	761,919	
	Capital outlays	<u>11,271,711</u>	2,293,784

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

	Serial Bonds	6,905,000
	Lease Payments	2,360,323

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

Capital lease proceeds	(335,000)
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In the statement of activities, certain revenues are recorded on the full accrual basis, which differs from the fund accounting where revenues are recorded when realizable in cash. The balance of SREC revenue which was not liquidated by September 30 of the subsequent year is not recognized as revenue for fund reporting.

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

308,278

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

	District pension contributions	2,826,698	
	Cost of benefits earned, net of employee contributions	<u>1,341,412</u>	4,168,110

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

Compensated absences	(96,999)
Amortization of gain on 2004 refunding bond issue	163,948
Amortization of loss on 2016 refunding bond issue	(151,540)
Amortization of loss on 2012 refunding bond issue	(14,752)
Amortization of premium on 2016 refunding bond issue	122,422

Change in net position of governmental activities \$ 20,011,312

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Funds			Total
	Food Service	Latchkey Program	Eagle Enterprises	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,867,804	808,086	6,862	2,682,752
Intergovernmental Accounts Receivable				
Federal	206,238			206,238
State	9,240			9,240
Other Accounts Receivable	79,244	513		79,757
Prepaid Expenses	944			944
Inventories	92,730			92,730
Total current assets	2,256,200	808,599	6,862	3,071,661
Noncurrent assets:				
Furniture, machinery & equipment	1,084,942		34,892	1,119,834
Less accumulated depreciation	(854,642)		(9,305)	(863,947)
Total noncurrent assets	230,300	-	25,587	255,887
Total assets	2,486,500	808,599	32,449	3,327,548
LIABILITIES				
Current liabilities:				
Accounts payable	50,504	10,423		60,927
Interfund payable	-	72,341		72,341
Student Deposits	71,242			71,242
Deferred revenue	54,347			54,347
Total current liabilities	176,093	82,764	-	258,857
Noncurrent liabilities:				
Compensated absences	90,558			90,558
Total noncurrent liabilities	90,558	-	-	90,558
Total liabilities	266,651	82,764	-	349,415
NET POSITION				
Invested in capital assets	230,300		25,587	255,887
Unrestricted	1,989,549	725,835	6,862	2,722,246
Total net position	\$ 2,219,849	725,835	32,449	2,978,133

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Fund			Total
	Food Service	Latchkey Program	Eagle Enterprises	
Operating revenues:				
Charges for services:				
Daily sales - non-reimbursable programs	\$ 1,200,217			1,200,217
Special functions	15,602			15,602
Latchkey program revenue		589,619		589,619
Miscellaneous			1,477	1,477
Total operating revenues	<u>1,215,819</u>	<u>589,619</u>	<u>1,477</u>	<u>1,806,915</u>
Operating expenses:				
Cost of sales - Reimbursable	1,294,972			1,294,972
Cost of sales - Non-Reimbursable	511,952			511,952
Salaries	1,600,727	319,580		1,920,307
Employee benefits	403,196	96,787		499,983
Other purchased services	67,743			67,743
General supplies & materials	34,382	2,385		36,767
Miscellaneous	-	19,353		19,353
Depreciation	23,620		3,490	27,110
Total Operating Expenses	<u>3,936,592</u>	<u>438,105</u>	<u>3,490</u>	<u>4,378,187</u>
Operating income/(loss)	<u>(2,720,773)</u>	<u>151,514</u>	<u>(2,013)</u>	<u>(2,571,272)</u>
Nonoperating revenues:				
State sources:				
State school breakfast program	30,077			30,077
State school lunch program	75,617			75,617
Federal sources:				
National school lunch program	1,938,526			1,938,526
National school breakfast program	443,794			443,794
Food distribution program	352,569			352,569
COVID-19 Supply Chain Assistance	195,338			195,338
Loss on disposal of fixed assets				-
Interest and investment revenue	15,412	6,211	-	21,623
Total nonoperating revenues	<u>3,051,333</u>	<u>6,211</u>	<u>-</u>	<u>3,057,544</u>
Change in net position	<u>330,560</u>	<u>157,725</u>	<u>(2,013)</u>	<u>486,272</u>
Total net position—beginning	<u>1,889,289</u>	<u>568,110</u>	<u>34,462</u>	<u>2,491,861</u>
Total net position—ending	<u>\$ 2,219,849</u>	<u>725,835</u>	<u>32,449</u>	<u>2,978,133</u>

The accompanying notes are an integral part of these financial statements

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Funds			Total
	Food Service	Latchkey Program	Eagle Enterprises	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,177,510	585,639	1,477	1,764,626
Payments to employees	(1,600,727)	(319,580)		(1,920,307)
Payments for employee benefits	(390,146)	(96,787)		(486,933)
Payments to suppliers	(1,570,694)	(17,197)		(1,587,891)
Net cash (used for) operating activities	<u>(2,384,057)</u>	<u>152,075</u>	<u>1,477</u>	<u>(2,230,505)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	104,910			104,910
Federal Sources	2,972,999			2,972,999
Payments from other funds	(12,186)	72,341		60,155
Net cash provided by/(used for) non-capital financing activities	<u>3,065,723</u>	<u>72,341</u>	<u>-</u>	<u>3,138,064</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition of capital assets	(86,362)			(86,362)
Net cash (used for) capital financing activities	<u>(86,362)</u>	<u>-</u>	<u>-</u>	<u>(86,362)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	15,412	6,211	-	21,623
Net cash provided by investing activities	<u>15,412</u>	<u>6,211</u>	<u>-</u>	<u>21,623</u>
Net (decrease) in cash and cash equivalents	610,716	230,627	1,477	842,820
Balances—beginning of year	1,257,088	577,459	5,385	1,839,932
Balances—end of year	<u>1,867,804</u>	<u>808,086</u>	<u>6,862</u>	<u>2,682,752</u>
Reconciliation of operating (loss) to net cash (used)				
by operating activities:				
Operating Income/loss	(2,720,773)	151,514	(2,013)	(2,569,259)
Adjustments to reconcile (loss) to net cash (used for) operating activities				
Depreciation and net amortization	23,620		3,490	23,620
Federal commodities	352,569			352,569
(Increase) decrease in receivables	(75,118)	13,937		(61,181)
(Increase) decrease in inventories	(18,976)			(18,976)
Increase (decrease) in accounts payable	4,762	4,541		9,303
Increase (decrease) in student deposits	36,809	(17,917)		18,892
Increase (decrease) in deferred revenue				-
Increase (decrease) in compensated absences	13,050			13,050
Total adjustments	<u>336,716</u>	<u>561</u>	<u>3,490</u>	<u>337,277</u>
Net cash (used for) operating activities	<u>\$ (2,384,057)</u>	<u>152,075</u>	<u>1,477</u>	<u>(2,231,982)</u>

The accompanying notes are an integral part of these financial statements

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Notes to the Financial Statements

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Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. REPORTING ENTITY:

The Egg Harbor Township School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-12. The Egg Harbor Township School District had an enrollment at June 30, 2023 of 7,455 students.

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:

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

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

Egg Harbor Township School District Notes to Financial Statements June 30, 2023

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

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

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

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

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

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

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

The following fund types are used by the District:

1. Governmental Funds:

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

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023

- d. **Debt service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Fund Balances – Governmental Funds

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

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

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

2. Proprietary Funds:

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

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

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

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

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

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023

3. Fiduciary Funds:

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

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

2. Modified Accrual:

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

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

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

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

Egg Harbor Township School District
Notes to Financial Statements
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Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental units.

2. Investments:

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

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2023, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	76,499
Supplies		16,231
	\$	92,730

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food service inventory on June 30, 2023 is \$54,347.

4. Capital Assets:

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

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

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

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5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities, expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue, are reported as reductions to expenses in the Statement of Activities.

6. Expenditures:

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

7. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

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

8. Interfund Activity:

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

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Notes to Financial Statements
June 30, 2023**

9. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2.2(f). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the Executive County Superintendent of Schools. The Board of Education approved the following significant budgetary appropriation transfers during the 2023 fiscal year:

	<u>From</u>	<u>To</u>
Regular Programs - Inst. - Salaries - Grades 1-5	264,431	
Regular Programs - Inst. - Salaries - Grades 9-12		219,224
Regular Programs - Undist. Inst. - Purch Prof-Ed Svc		1,812,966
Other Inst.- Basic Skills - Salaries of Teachers		475,047
Tuition to CSSD & Regional Day Schools	451,782	
Undist Expend - Extra Svc - Salaries	557,751	
Undist Expend - Guidance - Salaries of Other Prof Staff	260,378	
Undist Expend - Inst. Staff Train - Purchased Prof Ed Services	213,411	
Undist Expend - School Admin - Salaries of Other Prof Staff		217,781
Undist Expend - Custodial - Energy (Natural Gas)	352,500	
Undist Expend - Custodial - Energy (Electricity)	318,973	
Undist Expend - Trans - Lease Purch Payments - School Buses	336,146	
Undist Expend - Trans - Between Home & School - Joint Agree	323,593	
Undist Expend - Trans - Aid In Lieu Payments - Non Pub		311,091
Undist Expend - Trans - Special Ed Students - Joint Agree		
Undist Expend - Unallocated Benefits - Health Benefits	652,950	
Undist Expend - Unallocated Benefits - Oth Employment Benefits	241,666	
Undist Expend - Unallocated Benefits - Unused Sick Payments		242,165
Facilities Acquisition -Architect/Engineer		345,300
Facilities Acquisition - Const. Svc.		3,345,442

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the

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GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

10. Tuition Receivable

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

11. Tuition Payable

Tuition charges for the fiscal year 2020/21 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs

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

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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

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

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

NOTE 2. INVESTMENTS

As of June 30, 2023, the District had no investments.

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

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

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

NOTE 3. CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The District’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) which mandates the collateralization of all government deposits, or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$3,319,318 of the District’s bank balance of \$25,208,669 was exposed to custodial credit risk.

NOTE 4 – RECEIVABLES

Receivables at June 30, 2023, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-type Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 2,920,925	9,240	2,930,165
Federal Aid	2,986,626	206,238	3,192,864
Other	6,434,480	79,757	6,514,237
Gross Receivables	12,342,031	295,235	12,637,266
Less: Allowance for Uncollectibles	-	-	-
Total Receivables, Net	\$ 12,342,031	295,235	12,637,266

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2023, several interfunds remained on the various balance sheets of the Egg Harbor Township Board of Education.

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,221,692	
Special Revenue Fund		1,149,351
Latch Key Program Fund		72,341
	\$ 1,221,692	1,221,692

Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023

NOTE 6. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,836,300			1,836,300
Construction in Progress	3,148,641	8,198,835	1,113,147	10,234,329
Total capital assets not being depreciated	<u>4,984,941</u>	<u>8,198,835</u>	<u>1,113,147</u>	<u>12,070,629</u>
Capital assets being depreciated:				
Land Improvements	12,254,826	73,620	182,000	12,146,446
Buildings and building improvements	286,215,184	2,118,366	-	288,333,550
Machinery and Equipment	11,724,676	343,475	32,135	12,036,016
Vehicles	9,078,460	3,887,199	670,076	12,295,583
Total capital assets being depreciated at historical cost	<u>319,273,146</u>	<u>6,422,660</u>	<u>884,211</u>	<u>324,811,595</u>
Less accumulated depreciation for:				
Land Improvements	(8,186,725)	(310,996)	32,760	(8,464,961)
Buildings and improvements	(154,975,610)	(7,497,896)	699,847	(161,773,659)
Machinery and Equipment	(9,611,887)	(771,081)	22,357	(10,360,611)
Vehicles	(6,834,353)	(1,047,029)	567,009	(7,314,373)
Total capital assets being depreciated, net of accumulated depreciation	<u>(179,608,575)</u>	<u>(9,627,002)</u>	<u>1,321,973</u>	<u>(187,913,604)</u>
Governmental activity capital assets, net	<u>144,649,512</u>	<u>4,994,493</u>	<u>3,319,331</u>	<u>148,968,620</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	998,580	86,362	-	1,084,942
Vehicles	34,892			34,892
Less accumulated depreciation	(836,837)	(27,110)		(863,947)
Enterprise Fund capital assets, net	<u>196,635</u>	<u>59,252</u>	<u>-</u>	<u>255,887</u>
Grand Total	<u>\$ 144,846,147</u>	<u>5,053,745</u>	<u>3,319,331</u>	<u>149,224,507</u>

Depreciation expense charged to governmental functions is as follows:

Regular instruction	\$ 3,609,347
Special education	1,121,672
Other special instruction	364,808
Other instruction	140,763
Student & instruction related services	1,515,884
School administrative expenses	499,009
General and business administration	317,055
Plant operations and maintenance	1,195,530
Student transportation services	862,934
	<u>\$ 9,627,002</u>

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No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$2,390,878.

NOTE 7. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Egg Harbor Township Board of Education on October 28, 1997, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. During the 2008 fiscal year, the District transferred \$2,140,725 from the unreserved fund balance in order to fund the capital reserve fund. A capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the 2023 fiscal year is as follows:

Beginning balance, July 1, 2022		\$	1,026,806
Deposits			
Interest earned	\$		2,000
Included in 22/23 budget			5,000,000
Board Resolution - June			6,000,000
			11,002,000
Withdrawals:			
Withdrawal by Resolution			(3,506,452)
Ending balance, June 30, 2023		\$	8,522,354

NOTE 8. MAINTENANCE RESERVE ACCOUNT

New Jersey Statute 18A:7G-9 permits districts to accumulate funds for the required maintenance of a facility in accordance with the Educational Facilities Construction and Financing Act (EFCFA). The balance may be increased through an appropriation in the annual general fund budget certified for taxes or a resolution of the Board at the June meeting. This reserve may be used at any time during the year, by resolution, to transfer to the required maintenance budget lines for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted for use on required maintenance appropriations and may not be transferred to any other line-item account. Per resolution made on June 27, 2017, the district established a Maintenance Reserve Account and transferred surplus of \$393,000 to Maintenance Reserve.

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

Beginning balance, July 1, 2022		\$	393,000
Deposits			
Interest earned	\$		1,000
Board Resolution - June	-		-
			1,000
Withdrawals:			
Withdrawal by Budget			-
Ending balance, June 30, 2023		\$	394,000

NOTE 9. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Issues or Additions	Payments or Expenditures	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities					
Bonds Payable	\$ 47,300,000	-	6,905,000	40,395,000	7,270,000
Capital Leases	5,276,629	335,000	2,360,323	3,251,306	2,001,055
Compensated Absences	1,690,694	335,126	238,127	1,787,693	-
Premium on Refunding Bonds	1,665,694	-	122,422	1,543,272	129,353
Net Pension Liability	26,398,472	7,429,553	-	33,828,025	
	\$ 82,331,489	8,099,679	9,625,872	80,805,296	9,400,408
Business-type Activities					
Compensated Absences	77,508	13,050	-	90,558	-

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

A. Bonds Payable:

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

Long-term debt as of June 30, 2023 consisted of the following:

\$50,735,000 Refunding Bonds dated October 1, 2004, payable in annual installments on January 15, 2005 and each July 15 thereafter commencing in 2012 and continuing through 2025. Semi-annual interest payments are due, at rates ranging from 3.00% to 5.75%, on January 15 and July 15, commencing January 15, 2005. The total savings to the District was \$1,588,925, or 3.021% as a result of refunding the 2001 bond issue. The refunding bonds are not subject to redemption prior to their stated maturities. The balance remaining as of June 30, 2023, was \$14,160,000.

On November 15, 2012, the District issued \$6,805,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in September 2012 which provided for the refunding of all or a portion of the callable portion of the \$23,052,000 issue dated April 1,

**Egg Harbor Township School District
Notes to Financial Statements
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2005. The total savings to the District was \$403,186, or 6.03% as a result of refunding the 2005 bond issue. The callable portion refunded includes the bonds maturing on April 1, 2016, and annually thereafter through April 1, 2024 and total \$6,685,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 4.00%, on April 1 and October 1, commencing April 1, 2013. The bonds will mature annually on April 1, commencing in 2013 through 2024. Refunding bonds maturing on or after April 1, 2023, are subject to redemption prior to maturity at the option of the Board on any date on or after April 1, 2022. The balance remaining as of June 30, 2023, was \$855,000.

On January 6, 2016, the District issued \$14,365,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in November 2015 which provided for the refunding of all or a portion of the callable portion of the \$15,410,000 issue dated December 5, 2006. The total savings to the District was \$1,013,330, or 7.05% as a result of refunding the 2006 bond issue. The callable portion refunded includes the bonds maturing on April 1, 2017, and annually thereafter through April 1, 2030, and total \$14,675,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 5.00%, on April 1 and October 1, commencing April 1, 2016. The bonds will mature annually on April 1, commencing in 2016 through 2030. Refunding bonds maturing on or after April 1, 2026, are subject to redemption prior to maturity at the option of the Board on any date on or after April 1, 2025. The balance remaining as of June 30, 2023, was \$13,010,000.

On June 1, 2016, the District issued \$19,320,000 in refunding school bonds. These bonds were authorized by a board of education approved refunding bond ordinance in April 2016 which provided for the refunding of all or a portion of the callable portion of the \$27,924,000 issue dated September 15, 2008. The total savings to the District was \$1,138,616, or 6.01% as a result of refunding the 2008 bond issue. The callable portion refunded includes the bonds maturing on September 15, 2019, and annually thereafter through September 15, 2028, and total \$18,950,000. Semi-annual interest payments are due, at rates ranging from 2.00% to 5.00%, on March 15 and September 15, commencing September 15, 2016. The bonds will mature annually on September 15, commencing in 2016 through 2028. The balance remaining as of June 30, 2023, was \$12,370,000.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 7,270,000	1,482,438	8,752,438
2024	7,680,000	1,126,056	8,806,056
2025	7,960,000	756,269	8,716,269
2026	4,390,000	501,938	4,891,938
2028	4,685,000	342,369	5,027,369
2029-2030	8,410,000	302,525	8,712,525
	<u>\$ 40,395,000</u>	<u>4,511,595</u>	<u>44,906,595</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2023, the Board had authorized but not issued bonds in the amount of \$1,357.

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023**

C. Capital Leases Payable:

The District is leasing various equipment, vehicles, and facilities totaling \$7,792,044 under capital leases. Semiannual lease payments are made to U.S. Bank Corp., Banc of America, JP Morgan Chase Bank, NA, TD Equipment Finance and Cogent Leasing and Financing, and include interest at a rate of .6294% to 4.09% per annum. The following is a schedule of the future minimum lease payments under this capital lease and the net minimum lease payments at June 30, 2023.

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	2,001,056	42,266	2,043,322
2025	826,588	16,211	842,799
2026	423,662	6,933	430,595
2027	-	-	-
2028	-	-	-
2028-2030	-	-	-
	\$ 3,251,306	65,410	3,316,716

NOTE 9. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any

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county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP)

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) during the fiscal year ended June 30, 2023.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 35.24% and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2023, 2022, and 2021 were \$21,897,117, \$21,861,360, and \$15,089,788, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022, and 2021 were \$2,826,698, \$2,609,689, and \$2,387,200, respectively, equal to the required contributions for each year.

The Board's total payroll for the years ended June 30, 2023, 2022, and 2021 was \$89,805,649 \$89,472,904, and \$82,685,129, covered payroll was \$66,503,822, \$63,969,661 and \$59,954,097 for TPAF; and \$17,685,127, \$17,191,284 and \$16,421,731 for PERS.

Significant Legislation

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

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

- New members of the PERS and TPAF hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.

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- The eligibility age to qualify for a service retirement in the systems is increased from age 63 to 65 for Tier 5 members.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2012. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

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

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

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

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

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

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. The following information describes the District's proportionate share of the statewide pension system's liabilities and expenses.

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The following represents the District's pension liabilities as June 30, 2022:

Public Employees' Retirement System

The District has a liability of \$33,828,025 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 that was rolled forward to 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 of all participating employers, actuarially determined. At June 30, 2022, the District's proportion was 0.22415466740%, which was an increase of 0.59% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of (\$4,168,110). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 244,155	215,310
Changes of assumptions	104,810	5,065,395
Net difference between projected and actual earnings on pension plan investments	1,400,111	-
Changes in proportion and differences between District contributions and proportionate share of contributions	1,716,694	
Total	\$ 3,465,770	5,280,705

Year ended June 30,	
2024	\$ (1,658,949)
2025	(610,982)
2026	(42,929)
2027	501,827
2028	(3,901)
Total	\$ (1,814,935)

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Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

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

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022, are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 40,566,739	\$ 33,828,025	\$ 28,099,483

Pension plan fiduciary net position.

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

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

At June 30, 2022, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

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The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		270,178,516
Total	\$	270,178,516

The net pension liability was measured as of June 30, 2021 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of (\$14,645,162) and revenue of (\$14,645,162) for support provided by the State.

Actuarial assumptions. The total pension liability in the June 30, 2022 actuarial valuation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate		
Price		2.75%
Wage		3.25%
Salary increases		2.75% - 5.65% (based on years of service)
Investment rate of return		7.00%

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

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adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount rate.

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability associated with the District	\$ 316,790,051	\$ 270,178,516	\$ 230,914,154

Pension plan fiduciary net position.

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

Additional Information

Collective balances of the local group at June 30, 2022 are as follows:

Deferred outflows of resources	\$	5,004,259,312
Deferred inflows of resources		19,682,774,794
Net pension liability		51,676,587,303

Collective pension expense for the plan for the measurement period ended June 30, 2022 is \$1,390,761,344.

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NOTE 12. LABOR CONTRACTS

As of June 30, 2023, the District's employees are organized in two collective bargaining units.

<u>Bargaining Unit</u>	<u>Employees Covered</u>	<u>Expiration</u>
EHT Education Association	All regularly employed certified personnel, secretarial, and clerical personnel, and paraprofessional. This contract also includes regularly employed custodial, grounds, maintenance, and cafeteria personnel, except supervisors.	June 30, 2025
Principals' and Supervisors' Association	All certified administrative personnel, excluding the Superintendent, Asst Superintendents, Business Administrator, and all employees considered confidential by law.	June 30, 2024

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

NOTE 13. OTHER POST-RETIREMENT BENEFITS

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in

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prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Total OPEB Liability

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2022, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases

TPAF/ABP	PERS	PFRS
2.75% to 4.25% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period July 1, 2018 to June 30, 2021.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% 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 4.5% 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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rate used to measure the total OPEB liability 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.

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at 6/30/22 (Based on 6/30/2021 measurement date)	\$ 60,007,650,970.00
Changes for the year:	
Service cost	2,770,618,025.00
Interest	1,342,187,139.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	1,399,200,736.00
Changes in assumptions or other inputs	(13,586,368,097.00)
Contributions: Member	42,650,252.00
Benefit payments	<u>(1,329,476,059.00)</u>
Net changes	<u>(9,361,188,004.00)</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u>\$ 50,646,462,966.00</u>

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

The following presents the total OPEB liability as of June 20, 2022, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease <u>(2.54%)</u>	Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
Total OPEB Liability	\$ 59,529,589,697.00	\$ 50,646,462,966.00	\$ 43,527,080,995.00

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

The following presents the total OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 41,862,397,291.00	\$ 50,646,462,966.00	\$ 62,184,866,635.00

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$5,873,899 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,042,402,619.00	\$ (15,462,950,679.00)
Changes in assumptions	8,765,620,577.00	(17,237,289,230.00)
	\$ 17,808,023,196.00	\$ (32,700,239,909.00)

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

Year Ended June 30,	
2023	\$ (2,517,151,602.00)
2024	(2,517,151,602.00)
2025	(2,517,151,602.00)
2026	(2,175,449,761.00)
2027	(1,243,951,140.00)
Thereafter	(3,921,361,006.00)
	\$ (14,892,216,713.00)

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

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

NOTE 14. SPECIAL PAY DEFERRAL PLAN

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

NOTE 15. DEFERRED COMPENSATION

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

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

NOTE 16. COMPENSATED ABSENCES

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

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

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

NOTE 17 – COMMITMENTS

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

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023**

Fund	Amount
General Fund Encumbered Orders	\$ 4,256,032

NOTE 18. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) – Of the \$19,962,647 General Fund balance at June 30, 2023, \$4,256,032 is committed for encumbrances; \$3,756,065 is restricted as excess surplus in accordance with NJSA 18A:7F-7 (\$119,889 of the total restricted for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024); \$1,630,212 has been restricted for unemployment claims; \$8,522,354 has been restricted in the Capital Reserve Account; \$394,000 has been restricted in the Maintenance Reserve Account; \$3,100,000 is assigned and included as anticipated revenue for the year ending June 30, 2023; and (\$1,696,016) is unassigned.

Special Revenue Fund – Of the (\$141,800) Special Revenue fund balance deficit a June 30, 2023, \$37,232 has been restricted for conduit activities; \$439,104 has been restricted for student activities and (\$618,136) is an unassigned deficit.

Debt Service Fund –\$191,280 Debt Service Fund balance at June 30, 2023 is restricted in accordance with N.J.S.A. 7F-41c(2).

NOTE 19. CALCULATION OF EXCESS SURPLUS

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$3,756,065, of which \$119,889 has been included in the 2023-24 budget.

NOTE 20. ECONOMIC DEPENDENCY

The District is heavily reliant on local property taxation and State Aid to fund the District operations and debt service. During the 2022-23 fiscal year, 94% of the Districts operations were funded through property taxes and State aid.

NOTE 21. RISK MANAGEMENT

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability and surety bonds. During the fiscal year ended June 30, 2023 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions,

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023**

reimbursements to the State for benefits paid and the ending balance of the District's fund for the current and prior year:

Fiscal Year	Employee Contributions	Interest on Investments	Amount Reimbursed	Ending Balance
2022-2023	\$ 171,940	\$ 15,856	\$ 36,247	\$ 1,700,066
2021-2022	155,324	3,245	50,993	1,548,517
2020-2021	178,335	11,098	143,381	1,440,941

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

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The workers compensation account is reported in the general fund. Only amounts that are current liabilities have been included as a charge against the budget line item. For the fiscal year ended June 30, 2023, \$0 was charged to the worker's compensation budget line item. The balance of estimated unpaid claims and settlement expense as of June 30, 2023 and 2022 was \$0 and \$0, respectively. There is a potential contingent liability that could exceed the amount the School District has in the worker's compensation fund.

Fiscal Year	Beginning Balance	Received	Claims Incurred	Ending Balance
2021-2022	\$ 121,314	70,307	-	\$ 191,621
2020-2021	120,937	377	-	121,314
2020-2021	119,883	1,054	-	120,937

NOTE 22 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 23 – RIGHT TO USE ASSETS

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

**Egg Harbor Township School District
Notes to Financial Statements
June 30, 2023**

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
Machinery & Equipment	\$ 1,934,412	335,000	864,888	1,404,524
Vehicles	3,342,217		1,495,435	1,846,782
Right to use assets, net	\$ 5,276,629	335,000	2,360,323	3,251,306

NOTE 24. SUBSEQUENT EVENTS

The School District has evaluated subsequent events through January 25, 2024, the date which the financial statements were available to be issued and no items were noted for disclosure or adjustment.

Required Supplementary Information
Part II

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BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 79,188,032		79,188,032	80,227,652	1,039,620
Tuition - Other LEA's within the State	260,000		260,000	416,104	156,104
Tuition from Other Government Sources	140,000		140,000	243,333	103,333
Rents and Royalties	10,000		10,000	9,652	(348)
Interest Earned on Capital Reserve Funds	2,000		2,000	2,000	-
Interest Earned on Maintenance Reserve Funds	1,000		1,000	1,000	-
Miscellaneous	426,247		426,247	729,273	303,026
Total - Local Sources	80,027,279	-	80,027,279	81,629,014	1,601,735
State Sources:					
Equalization Aid	60,910,999		60,910,999	60,910,999	-
Categorical Special Education Aid	4,443,028		4,443,028	4,443,028	-
Categorical Transportation Aid	3,273,116		3,273,116	3,273,116	-
Categorical Security Aid	1,547,671		1,547,671	1,547,671	-
Extraordinary Aid	400,000		400,000	2,280,573	1,880,573
Nonpublic School Transportation Aid			-	192,284	192,284
On-Behalf TPAF Pension Contributions (non-budgeted)			-	21,897,117	21,897,117
On-Behalf TPAF Post-Retirement Medical Contribution (non-budgeted)			-	5,752,320	5,752,320
On-Behalf TPAF Long-Term Disability Ins. Contribution (non-budgeted)			-	6,669	6,669
Reimbursed TPAF Social Security Contributions (non-budgeted)			-	4,899,666	4,899,666
Total - State Sources	70,574,814	-	70,574,814	105,203,443	34,628,629
Federal Sources:					
Medical Assistance Program	195,753		195,753	351,013	155,260
Total - Federal Sources	195,753	-	195,753	351,013	155,260
Total Revenues	150,797,846	-	150,797,846	187,183,470	36,385,624

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	1,934,126	(105,635)	1,828,491	1,828,491	-
Grades 1-5	12,333,529	(264,431)	12,069,098	11,999,698	69,400
Grades 6-8	9,191,489	50,733	9,242,222	9,234,492	7,730
Grades 9-12	12,828,410	219,224	13,047,634	13,034,752	12,882
Regular Programs - Home Instruction:					
Salaries of Teachers	275,000	75,418	350,418	340,033	10,385
Purchased Professional - Educational Services	10,000	(7,067)	2,933	2,513	420
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	-	1,388	1,388	1,388	-
Purchased Professional - Educational Services	1,563,679	1,812,966	3,376,645	3,364,309	12,336
Other Purchased Services	-	3,700	3,700	3,581	119
General Supplies	965,180	(152,504)	812,676	774,782	37,894
Textbooks	1,171,335	(126,067)	1,045,268	1,032,290	12,978
Total Regular Programs	40,272,748	1,507,725	41,780,473	41,616,329	164,144
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	197,599	1,438	199,037	199,037	-
Other Salaries for Instruction	219,230	(96,978)	122,252	114,035	8,217
General Supplies	8,250	-	8,250	2,567	5,683
Total Learning and/or Language Disabilities	425,079	(95,540)	329,539	315,639	13,900
Emotional Regulation Impairment					
Salaries of Teachers	129,579	83,990	213,569	213,569	-
Other Salaries for Instruction	22,619	40,499	63,118	63,117	1
General Supplies	5,057	-	5,057	3,614	1,443
Total Emotional Regulation Impairments	157,255	124,489	281,744	280,300	1,444
Multiple Disabilities					
Salaries of Teachers	1,877,643	(105,956)	1,771,687	1,757,735	13,952
Other Salaries for Instruction	1,021,245	(149,897)	871,348	849,007	22,341
General Supplies	92,151	2,040	94,191	65,339	28,852
Textbooks	3,020	-	3,020	1,500	1,520
Total Multiple Disabilities	2,994,059	(253,813)	2,740,246	2,673,581	66,665

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Resource Room/Resource Center					
Salaries of Teachers	8,664,844	(171,743)	8,493,101	8,421,589	71,512
Other Salaries for Instruction	299,788	(13,219)	286,569	272,128	14,441
General Supplies	73,777	(19,901)	53,876	43,208	10,668
Textbooks	5,000	-	5,000	402	4,598
Total Resource Room/Resource Center	9,043,409	(204,863)	8,838,546	8,737,327	101,219
Preschool Disabilities - Full Time					
Salaries of Teachers	460,755	(30,010)	430,745	429,160	1,585
Other Salaries for Instruction	532,569	(37,087)	495,482	471,624	23,858
General Supplies	10,952	(2,860)	8,092	-	8,092
Total Preschool Disabilities - Full Time	1,004,276	(69,957)	934,319	900,784	33,535
Home Bound					
Other Purchased Services	-	30,583	30,583	9,869	20,714
Total Home Bound	-	30,583	30,583	9,869	20,714
Total Special Education - Instruction	13,624,078	(469,101)	13,154,977	12,917,500	237,477
Basic Skills/Remedial - Instruction					
Salaries of Teachers	2,703,406	475,047	3,178,453	3,176,579	1,874
General Supplies	4,500	-	4,500	763	3,737
Total Basic Skills/Remedial - Instruction	2,707,906	475,047	3,182,953	3,177,342	5,611
Bilingual Education - Instruction:					
Salaries of Teachers	861,651	176,463	1,038,114	1,037,227	887
General Supplies	8,281	7,600	15,881	5,740	10,141
Textbooks	49,125	(7,600)	41,525	37,819	3,706
Total Bilingual Education - Instruction	919,057	176,463	1,095,520	1,080,786	14,734

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
School Sponsored Cocurricular Activities - Instruction:					
Salaries	424,656	13,569	438,225	324,999	113,226
Other Purchased Services	9,300	(286)	9,014	9,014	-
Supplies and Materials	25,442	(469)	24,973	24,973	-
Other Objects	1,006	-	1,006	480	526
Total School Sponsored Cocurricular Activities - Instruction	460,404	12,814	473,218	359,466	113,752
School-Sponsored Athletics - Instruction					
Salaries	873,915	(20,834)	853,081	666,490	186,591
Other Purchased Services	41,146	1,824	42,970	41,649	1,321
Supplies and Materials	175,492	(5,096)	170,396	166,879	3,517
Other Objects	36,474	3,515	39,989	39,455	534
Transfers to Cover Deficit (Agency Funds)	86,460	(15,239)	71,221	46,825	24,396
Total School-Sponsored Athletics - Instruction	1,213,487	(35,830)	1,177,657	961,298	216,359
Alternative Education Program					
Salaries	536,029	(2,890)	533,139	533,139	-
Purchased Professional & Technical Services	7,000	-	7,000	1,420	5,580
General Supplies	9,839	-	9,839	5,425	4,414
Total Alternative Education Program	552,868	(2,890)	549,978	539,984	9,994
Total Instruction	59,750,548	1,664,228	61,414,776	60,652,705	762,071
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	217,032	(29,235)	187,797	187,797	-
Tuition to Other LEAs Within the State - Special	39,937	(20,798)	19,139	19,139	-
Tuition to County Voc. School Dist. - Regular	806,776		806,776	806,776	-
Tuition to County Voc. School Dist. - Special	76,500		76,500	76,500	-
Tuition to CSSD & Regional Day Schools	475,871	(451,782)	24,089	24,089	-
Tuition to Private Schools for the Disabled - Within State	149,474	168,020	317,494	315,519	1,975
Tuition - State Facilities	322,160		322,160	322,160	-
Total Undistributed Expenditures - Instruction	2,087,750	(333,795)	1,753,955	1,751,980	1,975

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Attendance and Social Work:					
Salaries	325,786	5,460	331,246	330,613	633
Other Purchased Services	3,348	300	3,648	2,114	1,534
Supplies and Materials	2,476	-	2,476	2,190	286
Total Undistributed Expenditures - Attendance and Social Work	331,610	5,760	337,370	334,917	2,453
Undistributed Expenditures - Health Services:					
Salaries	1,094,109	10,696	1,104,805	1,086,528	18,277
Purchased Professional and Technical Services	45,470	(1,295)	44,175	35,397	8,778
Supplies and Materials	16,627	(2,339)	14,288	13,765	523
Total Undistributed Expenditures - Health Services	1,156,206	7,062	1,163,268	1,135,690	27,578
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Salaries	1,976,314	(131,701)	1,844,613	1,818,424	26,189
Purchased Professional - Educational Services	230,500	45,064	275,564	224,155	51,409
Supplies and Materials	32,834	5,297	38,131	36,462	1,669
Total Undistributed Expenditures - Other Support Services - Students - Related Services	2,239,648	(81,340)	2,158,308	2,079,041	79,267
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	3,732,629	(557,751)	3,174,878	3,093,520	81,358
Purchased Professional - Educational Services	1,105,021	94,422	1,199,443	737,214	462,229
Supplies and Materials	12,000	(1,533)	10,467	10,260	207
Total Undistributed Expenditures - Other Support Services - Extra Services	4,849,650	(464,862)	4,384,788	3,840,994	543,794
Undistributed Expenditures - Other Support Services - Guidance					
Salaries of Other Professional Staff	2,602,190	(260,378)	2,341,812	2,320,706	21,106
Salaries of Secretarial and Clerical Assistants	206,565	-	206,565	173,122	33,443
Other Purchased Professional and Technical Services	20,841		20,841	18,999	1,842
Other Purchased Services	1,524		1,524	1,181	343
Supplies and Materials	15,926	10	15,936	12,173	3,763
Total Undistributed Expenditures - Other Support Services - Guidance	2,847,046	(260,368)	2,586,678	2,526,181	60,497

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Other Support Services - Child Study Teams					
Salaries of Other Professional Staff	2,848,472	(142,261)	2,706,211	2,703,431	2,780
Salaries of Secretarial and Clerical Assistants	543,330	(37,519)	505,811	505,411	400
Other Salaries	-	1,000	1,000	1,000	-
Other Purchased Professional and Technical Services	43,680	5,513	49,193	47,022	2,171
Other Purchased Services	45,398	(4,000)	41,398	36,946	4,452
Supplies and Materials	22,850	-	22,850	22,653	197
Total Undistributed Expenditures - Other Support Services - Child Study Teams	3,503,730	(177,267)	3,326,463	3,316,463	10,000
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,200,813	37,837	1,238,650	1,238,650	-
Salaries of Other Professional Staff	301,847	(20,089)	281,758	262,496	19,262
Supplies and Materials	2,000	(2,000)	-	-	-
Total Undistributed Expenditures - Improv. of Instr. Services	1,504,660	15,748	1,520,408	1,501,146	19,262
Undistributed Expenditures - Educational Media Services - School Library					
Salaries	1,075,296	(30,947)	1,044,349	1,044,349	-
Salaries of Technology Coordinators	111,398	2,580	113,978	113,977	1
Purchased Professional and Technical Services	647,611	38,683	686,294	678,169	8,125
Other Purchased Services	3,852	600	4,452	3,654	798
Supplies and Materials	104,847	(9,020)	95,827	85,927	9,900
Other Objects	8,950	(5,780)	3,170	3,170	-
Total Undistributed Expenditures - Educational Media Services - School Library	1,951,954	(3,884)	1,948,070	1,929,246	18,824
Undistributed Expenditures - Instructional Staff Training Services					
Salaries of Supervisors of Instruction	156,370	8,630	165,000	165,000	-
Salaries of Other Professional Staff	49,964	(14,189)	35,775	35,775	-
Purchased Professional - Educational Services	341,125	(213,411)	127,714	97,342	30,372
Other Purchased Services	22,375	(10,374)	12,001	9,611	2,390
Supplies and Materials	5,000	7,452	12,452	12,452	-
Total Undistributed Expenditures - Instructional Staff Training Srvc	574,834	(221,892)	352,942	320,180	32,762

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	877,444	110,337	987,781	980,281	7,500
Legal Services	432,975	(27,400)	405,575	228,078	177,497
Audit Fees	40,000	(3,500)	36,500	36,500	-
Architectural/Engineering Services	69,205	11,345	80,550	63,787	16,763
Other Purchased Professional Services	26,750	(4,445)	22,305	18,569	3,736
Communications/Telephone	204,016	12,696	216,712	198,496	18,216
Miscellaneous Purchased Services	390,000	(142,746)	247,254	242,100	5,154
General Supplies	13,230	-	13,230	10,588	2,642
BOE In-House Training/Meeting Supplies	4,000	-	4,000	3,936	64
Judgements	110,000	27,500	137,500	75,508	61,992
Miscellaneous Expenditures	20,000	2,937	22,937	22,937	-
BOE Membership Dues and Fees	40,000	(12,388)	27,612	27,612	-
Total Undistributed Expenditures - Support Services - Gen. Admin.	2,227,620	(25,664)	2,201,956	1,908,392	293,564
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals/Prog Dir	2,119,290	27,613	2,146,903	2,144,863	2,040
Salaries of Other Professional Staff	301,327	217,781	519,108	519,107	1
Salaries of Secretarial and Clerical Assistants	1,337,590	(2,627)	1,334,963	1,331,849	3,114
Purchased Professional and Technical Services	77,000	(18,584)	58,416	49,827	8,589
Other Purchased Services	153,256	1,221	154,477	140,895	13,582
Supplies and Materials	60,917	280	61,197	48,490	12,707
Other Objects	61,348	(500)	60,848	48,919	11,929
Total Undistributed Expenditures - Support Serv. - School Admin.	4,110,728	225,184	4,335,912	4,283,950	51,962
Undistributed Expenditures - Central Services					
Salaries	834,544	(56,100)	778,444	778,444	-
Purchased Technical Services	61,070	2,787	63,857	63,451	406
Miscellaneous Purchased Services (400-500 series)	161,523	(11,589)	149,934	147,324	2,610
Supplies and Materials	15,000	(999)	14,001	13,509	492
Other Objects	8,000	(2,910)	5,090	5,090	-
Total Undistributed Expenditures - Central Services	1,080,137	(68,811)	1,011,326	1,007,818	3,508
Undistributed Expenditures - Administrative Information Technology					
Salaries	390,532	12,605	403,137	403,137	-
Purchased Technical Services	58,330	(5,777)	52,553	52,553	-
Supplies and Materials	52,135	(2,685)	49,450	49,450	-
Total Undistributed Expenditures - Admin. Information Technology	500,997	4,143	505,140	505,140	-

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Required Maint for School Facilities					
Salaries	1,000,528	15	1,000,543	990,851	9,692
Cleaning, Repair, and Maintenance Services	950,573	(92,812)	857,761	753,457	104,304
General Supplies	163,914	81,584	245,498	230,302	15,196
Other Objects	2,250	-	2,250	1,180	1,070
Total Undistributed Expenditures - Required Maint for School Facilities	2,117,265	(11,213)	2,106,052	1,975,790	130,262
Undistributed Expenditures - Custodial Services					
Salaries	4,803,956	98,253	4,902,209	4,857,999	44,210
Purchased Professional and Technical Services		6,900	6,900	6,900	-
Cleaning, Repair and Maintenance Services	260,134	6,995	267,129	233,293	33,836
Rental of Land & Building Other than Lease Purch Agmt	1,216,000	110,287	1,326,287	1,326,278	9
Other Purchased Property Services	197,615	39,930	237,545	224,914	12,631
Insurance	555,950	(135,348)	420,602	402,884	17,718
Miscellaneous Purchased Services	400	945	1,345	643	702
General Supplies	367,207	4,777	371,984	357,537	14,447
Energy (Natural Gas)	589,760	352,500	942,260	820,827	121,433
Energy (Electricity)	1,564,340	318,973	1,883,313	1,729,202	154,111
Energy (Oil)	2,000	419	2,419	2,419	-
Other Objects	2,500	-	2,500	500	2,000
Total Undistributed Expenditures - Custodial Services	9,559,862	804,631	10,364,493	9,963,396	401,097
Undistributed Expenditures - Care & Upkeep of Grounds					
Salaries	509,200	(200)	509,000	485,033	23,967
Cleaning, Repair and Maintenance Services	40,971	26,350	67,321	61,660	5,661
General Supplies	101,391	(9,721)	91,670	89,827	1,843
Total Undistributed Expenditures - Care & Upkeep of Grounds	651,562	16,429	667,991	636,520	31,471
Undistributed Expenditures - Security					
Salaries	692,545	7,012	699,557	699,556	1
Cleaning, Repair and Maintenance Services	148,570	(10,000)	138,570	123,490	15,080
General Supplies	25,278	19,247	44,525	34,367	10,158
Other Objects	3,496	(3,496)	-	-	-
Total Undistributed Expenditures - Security	869,889	12,763	882,652	857,413	25,239
Total Undistributed Expenditures - Oper & Main of Plant Services	13,198,578	822,610	14,021,188	13,433,119	588,069

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Undistributed Expenditures - Student Transportation Services:					
Sal for Pupil Transp (Between Home and School)-Reg.	3,243,656	(34,700)	3,208,956	2,880,311	328,645
Sal for Pupil Transp (Between Home and School)-Sp Ed	468,149	75,567	543,716	543,716	-
Sal for Pupil Transp (Other than Bet. Home & School)	216,323	(20,678)	195,645	146,176	49,469
Other Purchased Professional and Technical Services	31,275	14,169	45,444	34,152	11,292
Cleaning, Repair, and Maintenance Services	134,750	(29,813)	104,937	57,915	47,022
Lease Purchase Payments - School Buses	1,422,129	(336,146)	1,085,983	1,085,983	-
Contracted Services - (Between Home and School) - Vendors	403,139	(82,294)	320,845	307,570	13,275
Contracted Services - (Between Home and School) - Joint Agree.	907,500	(323,593)	583,907	326,412	257,495
Contracted Services - (Special Ed Students) - Vendors	857,859	-	857,859	779,369	78,490
Contracted Services - (Special Ed Students) - Joint Agree.	1,015,159	-	1,015,159	1,009,120	6,039
Contracted Services - Aid in Lieu of Payments - Nonpublic Schools	180,926	311,091	492,017	460,692	31,325
Contracted Services - Aid in Lieu of Payments - Charter School	29,722	(3,584)	26,138	20,395	5,743
Contracted Services - Aid in Lieu of Payments - Choice School	22,000	2,484	24,484	21,462	3,022
Miscellaneous Purchased Services - Transportation	159,321	7,733	167,054	166,724	330
Supplies and Materials	7,500	1,294	8,794	8,760	34
Transportation Supplies	1,482,688	(57,781)	1,424,907	892,420	532,487
Miscellaneous Expenditures	13,900	755	14,655	14,451	204
Total Undistributed Expenditures - Student Transportation Serv.	10,595,996	(475,496)	10,120,500	8,755,628	1,364,872
Unallocated Benefits:					
Social Security Contributions	1,766,397	(499)	1,765,898	1,643,555	122,343
Other Retirement Contributions - PERS	2,798,733	27,965	2,826,698	2,826,698	-
Other Retirement Contributions - Regular	138,692		138,692	69,611	69,081
Workmen's Compensation	1,498,120	(17,919)	1,480,201	1,480,201	-
Health Benefits	26,157,325	(741,135)	25,416,190	23,377,472	2,038,718
Tuition Reimbursement	126,500	-	126,500	86,218	40,282
Other Employee Benefits	488,665	(241,666)	246,999	241,274	5,725
Unused Sick Payment to Terminated/Retired Staff	-	242,165	242,165	235,711	6,454
Total Unallocated Benefits	32,974,432	(731,089)	32,243,343	29,960,740	2,282,603
On-behalf TPAF Pension Contributions (non-budgeted)					
On-Behalf TPAF Post-Retirement Medical Contribution (non-budgeted)				21,897,117	(21,897,117)
On-Behalf TPAF Long-Term Disability Ins. Contribution (non-budgeted)				5,752,320	(5,752,320)
Reimbursed TPAF Social Security Contributions (non-budgeted)				6,669	(6,669)
Total On-behalf Contributions	-	-	-	32,555,772	(32,555,772)
Total Benefits	32,974,432	(731,089)	32,243,343	62,516,512	(30,273,169)
Total Undistributed Expenditures	85,735,576	(1,763,961)	83,971,615	111,146,397	(27,174,782)

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Total Current Expense	145,486,124	(99,733)	145,386,391	171,799,102	(26,412,711)
Capital Outlay:					
Interest Earned on Maintenance Reserve	1,000		1,000	1,000	-
Interest Deposit to Capital Reserve	2,000		2,000	2,000	-
Total Interest Deposit to Capital Reserve	3,000	-	3,000	3,000	-
Equipment:					
Undistributed Expenditures:					
Grades 1-5		3,482	3,482	3,482	-
Grades 6-8		9,552	9,552	2,850	6,702
Grades 9-12	5,550	11,914	17,464	17,464	-
Support Services - Special Education Students		13,104	13,104	13,104	-
Undist. Expend. - Instruction		2,500	2,500	2,500	-
Undist. Expend. - Admin Info Tech.		10,341	10,341	6,993	3,348
Undist. Expend. - Required Maint for School Facilities	12,800	2,009	14,809	14,809	-
Undist. Expend. - Custodial Services		13,704	13,704	11,209	2,495
Undist. Expend. - Care and Upkeep of Grounds		16,999	16,999	16,999	-
Undist. Expend. - Security		3,155	3,155	3,154	1
Undist. Expend. - Student Trans. - Non Instructional		6,500	6,500	6,500	-
Total Equipment	18,350	93,260	111,610	99,064	12,546
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	117,490	345,300	462,790	200,180	262,610
Construction Services	5,966,565	3,345,442	9,312,007	5,039,366	4,272,641
Other Objects - Debt Service Assessment	543,141		543,141	543,141	-
Total Facilities Acquisition and Construction Services	6,627,196	3,690,742	10,317,938	5,782,687	4,535,251
Assets Acquired Under Capital Leases (non-budgeted):					
Undistributed Expenditures:					
Transportation				335,000	(335,000)
Total Assets Acquired Under Capital Leases (non-budgeted)	-	-	-	335,000	(335,000)
Total Capital Outlay	6,648,546	3,784,002	10,432,548	6,219,751	4,212,797
Transfer to Charter Schools	2,414,385	6,473	2,420,858	2,296,200	124,658

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
Total Expenditures	<u>154,549,055</u>	<u>3,690,742</u>	<u>158,239,797</u>	<u>180,315,053</u>	<u>(22,075,256)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,751,209)	(3,690,742)	(7,441,951)	6,868,417	14,310,368
Other Financing Sources (Uses):					
Transfers Out:					
Special Revenue Fund - Regular	(325,684)		(325,684)	(325,684)	-
Special Revenue Fund - Inclusion Students	(1,374,316)		(1,374,316)	(1,374,316)	-
Deposit to Capital Reserve	(5,000,000)		(5,000,000)	(5,000,000)	-
Deposit to Capital Reserve			-	5,000,000	(5,000,000)
Decrease in Capital Reserve		3,690,742	3,690,742		3,690,742
Capital Leases (non-budgeted)				335,000	335,000
Total Other Financing Sources (Uses)	(6,700,000)	3,690,742	(3,009,258)	(1,365,000)	(974,258)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,451,209)	-	(10,451,209)	5,503,417	13,336,110
Fund Balances, July 1	21,210,589	-	21,210,589	21,210,589	-
Fund Balances, June 30	<u>\$ 10,759,380</u>	<u>-</u>	<u>10,759,380</u>	<u>26,714,006</u>	<u>13,336,110</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Reserve for Excess Surplus				3,636,176	
Excess Surplus-Designated for Subsequent Year's Expenditures				119,889	
Reserve for Capital Reserve				8,522,354	
Reserve for Maintenance Reserve				394,000	
Reserve for Unemployment Compensation				1,630,212	
Assigned Fund Balance:					
Year-end Encumbrances				4,256,032	
Designated for Subsequent Year's Expenditures				3,100,000	
Unassigned Fund Balance				<u>5,055,343</u>	
Reconciliation to Governmental Funds Statements (GAAP)				26,714,006	
Last State Aid Payment Not Recognized on GAAP Basis				<u>(6,751,359)</u>	
				<u>\$ 19,962,647</u>	

**EGG HARBOR 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 Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 571,250	(488,915)	82,335	781,139	698,804
Total - Local Sources	571,250	(488,915)	82,335	781,139	698,804
State Sources:					
Preschool Education Aid	6,181,358	(450,975)	5,730,383	5,249,234	(481,149)
Other	505,401	1,060,392	1,565,793	722,513	(843,280)
Nonpublic aid	-	456,575	456,575	442,552	(14,023)
Total - State Sources	6,686,759	1,065,992	7,752,751	6,414,299	(1,338,452)
Federal Sources:					
I.D.E.A., Part B	1,575,439	415,485	1,990,924	1,808,598	(182,326)
IDEA Preschool	-	84,694	84,694	66,368	(18,326)
Title I	1,185,080	709,938	1,895,018	812,784	(1,082,234)
Title I - SIA	-	44,700	44,700	44,700	-
Title II Part A	245,740	102,476	348,216	228,180	(120,036)
Title III English Language Enhancement	55,809	(15,791)	40,018	38,182	(1,836)
Title III Immigrant	-	15,920	15,920	5,069	(10,851)
Carl D. Perkins Vocational	37,229	16,263	53,492	49,403	(4,089)
ARP - IDEA	330,584	(19,089)	311,495	273,286	(38,209)
ARP - IDEA Preschool	28,097	4,958	33,055	30,130	(2,925)
21st Century	-	128,564	128,564	76,611	(51,953)
ARP - ESSER	6,170,713	843,176	7,013,889	3,665,335	(3,348,554)
ARP - Learning Acceleration	436,070	254,372	690,442	183,190	(507,252)
ARP - Summer Learning	23,997	11,915	35,912	1,956	(33,956)
ARP - ESSER Beyond the School Day	38,809	9,186	47,995	-	(47,995)
ARP - Mental Health	88,501	(26,166)	62,335	-	(62,335)
ARP - Homeless	-	63,647	63,647	63,647	-
Other	500,000	(500,000)	-	-	-
Total - Federal Sources	10,716,068	2,144,248	12,860,316	7,347,439	(5,512,877)
Total Revenues	17,974,077	2,721,325	20,695,402	14,542,877	(6,152,525)

**EGG HARBOR 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 Under/(Over) Final to Actual
EXPENDITURES:					
Instruction					
Salaries of Teachers	11,089,585	(6,540,392)	4,549,193	2,956,367	1,592,826
Other Salaries for Instruction	1,003,694	(5,015)	998,679	863,711	134,968
Purchased Professional and Technical Services	42,250	952,207	994,457	603,065	391,392
Other Purchased Services (400-500 series)	2,425,900	2,123,710	4,549,610	3,669,806	879,804
General Supplies	157,514	1,424,919	1,582,433	718,630	863,803
Textbooks	23,621	15,121	38,742	38,510	232
Other objects	-	29,183	29,183	6,162	23,021
Total instruction	<u>14,742,564</u>	<u>(2,000,267)</u>	<u>12,742,297</u>	<u>8,856,251</u>	<u>3,886,046</u>
EXPENDITURES (CONT'D):					
Support Services					
Salaries of Supervisors of Instruction	112,500	27,619	140,119	125,750	14,369
Salaries	81,900	11,150	93,050	77,542	15,508
Salaries of Other Professional Staff	346,722	82,132	428,854	387,135	41,719
Salaries of Secretarial and Clerical Assistants	92,879	(42,473)	50,406	50,160	246
Other Salaries	113,189	838,819	952,008	769,407	182,601
Salaries of Community Parent Involvement Spec.	30,280	-	30,280	29,927	353
Salaries of Masters Teachers	239,086	13,018	252,104	252,104	-
Personal Services - Employee Benefits	1,655,791	172,067	1,827,858	1,488,259	339,599
Purchased Professional/Educational Services	1,066,296	1,361,496	2,427,792	1,582,599	845,193
Purch. Prof/Ed. Svc. - Head Start	-	377,126	377,126	377,126	-
Other purchased Services (400-500 series)	511,608	414,570	926,178	775,990	150,188
Contracted Service - Trans (Bet. Home & School)	103,680	(86,028)	17,652	-	17,652
Contracted Service - Trans (Field Trips)	3,182	1,318	4,500	2,615	1,885
Travel	150	11,589	11,739	7,486	4,253
Supplies & Materials	3,000	894,022	897,022	329,969	567,053
Conduit Expenses	21,250	(21,250)	-	9,520	(9,520)
Student Activities/Athletics	550,000	(550,000)	-	719,630	(719,630)
Total support services	<u>4,931,513</u>	<u>3,505,175</u>	<u>8,436,688</u>	<u>6,985,219</u>	<u>1,451,469</u>
Facilities acquisition and construction services:					
Instructional equipment	-	58,131	58,131	51,253	6,878
Noninstructional equipment	-	19,730	19,730	19,730	-
Construction services	-	1,138,556	1,138,556	325,922	812,634
Total facilities acquisition and construction services	<u>-</u>	<u>1,216,417</u>	<u>1,216,417</u>	<u>396,905</u>	<u>819,512</u>
Total expenditures	19,674,077	2,721,325	22,395,402	16,238,375	6,157,027
Other Financing Sources (Uses)					
General Fund - Preschool Education	1,700,000	-	1,700,000	1,700,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>4,502</u>	<u>4,502</u>
Fund Balance, July 1				<u>471,834</u>	
Fund Balance, June 30				<u>476,336</u>	
Recapitulation:					
Restricted:					
Conduit				37,232	
Student Activities				439,104	
Total Fund Balance				<u>476,336</u>	

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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

	General Fund	Special Revenue
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 187,183,470	14,542,877
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Prior year		5,707,327
Current year		(1,247,783)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	5,767,460	381,857
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(6,751,359)	(618,136)
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	186,199,571	18,766,142
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	180,315,053	16,238,375
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes		
Prior year		5,707,327
Current year		(1,247,783)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 180,315,053	20,697,919

Required Supplementary Information
Part III

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.2241546674%	0.2228377461%	0.2177434025%	0.2132299176%	0.2088348448%	0.2016466656%	0.1929449075%	0.1846447919%	0.1823522927%	0.1762768420%
District's proportionate of the net pension liability (asset)	\$ 33,828,025	\$ 26,398,472	\$ 35,508,255	\$ 38,420,796	\$ 41,118,540	\$ 46,940,121	\$ 57,144,747	\$ 32,618,264	\$ 34,141,337	\$ 33,690,007
District's covered payroll	\$ 17,685,127	\$ 17,191,284	\$ 16,421,731	\$ 16,048,524	\$ 14,784,203	\$ 14,455,418	\$ 13,586,006	\$ 12,921,914	\$ 12,372,353	\$ 12,234,369
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	191.28%	153.56%	216.23%	239.40%	278.12%	324.72%	420.61%	252.43%	275.95%	275.37%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 2,826,698	\$ 2,609,689	\$ 2,382,003	\$ 2,074,099	\$ 2,077,232	\$ 1,868,041	\$ 1,587,450	\$ 1,407,927	\$ 1,328,210	\$ 1,223,404
Contributions in relation to the contractually required contribution	\$ 2,826,698	\$ 2,609,689	\$ 2,382,003	\$ 2,074,099	\$ 2,077,232	\$ 1,868,041	\$ 1,587,450	\$ 1,407,927	\$ 1,328,210	\$ 1,223,404
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 17,685,127	\$ 17,191,284	\$ 16,421,731	\$ 16,048,524	\$ 14,784,203	\$ 14,455,418	\$ 13,586,006	\$ 12,921,914	\$ 12,372,353	\$ 12,234,369
Contributions as a percentage of covered-employee payroll	15.98%	15.18%	14.51%	12.92%	14.05%	12.92%	11.68%	10.90%	10.74%	10.00%

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	270,178,516	244,901,700	333,278,609	307,358,652	217,534,753	336,336,183	386,076,269	253,846,482	259,337,251	244,617,946
Total	\$ 270,178,516	\$ 244,901,700	\$ 333,278,609	\$ 307,358,652	\$ 217,534,753	\$ 336,336,183	\$ 386,076,269	\$ 253,846,482	\$ 259,337,251	\$ 244,617,946
District's covered payroll	\$ 66,503,822	\$ 63,969,661	\$ 59,911,964	\$ 58,575,783	\$ 54,138,997	\$ 52,830,893	\$ 51,825,604	\$ 50,023,842	\$ 49,227,235	\$ 49,227,235
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 282,358,219	\$ 334,929,738	\$ 367,951,049	\$ 219,723,797	\$ 241,842,377	\$ 281,709,974	\$ 303,957,290
Total	\$ 282,358,219	\$ 334,929,738	\$ 367,951,049	\$ 219,723,797	\$ 241,842,377	\$ 281,709,974	\$ 303,957,290
District's covered payroll	84,188,949	81,160,945	76,333,695	74,624,307	68,923,200	67,286,311	65,411,610
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:							
Service Cost	16,046,012	17,991,469	10,007,808	10,270,686	11,553,517	13,930,911	
Interest Cost	7,482,804	8,688,430	7,932,839	9,631,333	10,388,061	8,970,885	
Change in Benefit Terms	-	(356,492)	-	-	-	-	
Differences between Expected & Actual	6,818,951	(53,053,224)	69,286,160	(38,751,771)	(27,813,275)	-	
Changes in Assumptions	(75,745,126)	330,434	67,212,013	3,276,100	(27,752,623)	(38,864,378)	
Member Contributions	237,779	222,121	194,157	199,937	223,502	240,267	
Benefit Payments	(7,411,939)	(6,844,049)	(6,405,725)	(6,744,865)	(6,466,779)	(6,525,001)	
Change in Total Opeb Liability	<u>(52,571,519)</u>	<u>(33,021,311)</u>	<u>148,227,252</u>	<u>(22,118,580)</u>	<u>(39,867,597)</u>	<u>(22,247,316)</u>	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	<u>334,929,738</u>	<u>367,951,049</u>	<u>219,723,797</u>	<u>241,842,377</u>	<u>281,709,974</u>	<u>303,957,290</u>	
Ending Balance	<u>\$ 282,358,219</u>	<u>\$ 334,929,738</u>	<u>\$ 367,951,049</u>	<u>\$ 219,723,797</u>	<u>\$ 241,842,377</u>	<u>\$ 281,709,974</u>	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	335.39%	412.67%	482.03%	294.44%	350.89%	418.67%	

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

Note: This schedule is required by GASB 75 to be show information for a 10 year period.
However, information is only currently available for five years.
Additional years will be presented as they become available.

SPECIAL REVENUE FUND

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Nonpublic		Nonpublic Handicapped Aid		Nonpublic Nursing	Nonpublic Technology	Nonpublic Security	SDA Emergent Needs	Climate Awareness Education	PACE	Youth Transition to Work
	Compensatory Education	Auxiliary Aid Home Instruction	Examination & Classification	Nonpublic Corrective Speech							
REVENUES:											
State Sources	\$ 38,510	87,073	3,092	16,833	33,866	24,647	115,013	182,697	6,660	34,070	361,137
Federal Sources											
Local Sources											
Total revenues	<u>38,510</u>	<u>87,073</u>	<u>3,092</u>	<u>16,833</u>	<u>33,866</u>	<u>24,647</u>	<u>115,013</u>	<u>182,697</u>	<u>6,660</u>	<u>34,070</u>	<u>361,137</u>
EXPENDITURES:											
Instruction:											
Salaries of teachers										11,256	83,051
Other Salaries for Instruction		87,073		16,833	33,866					14,022	172,143
Purchased prof. and technical services			3,092							2,575	200
Other purchased services						24,647					
General supplies											
Textbooks	38,510										
Other objects											
Total instruction	<u>38,510</u>	<u>87,073</u>	<u>3,092</u>	<u>16,833</u>	<u>33,866</u>	<u>24,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,853</u>	<u>255,394</u>
Support services:											
Salaries of Supervisors of Instruction											
Salaries											
Salaries of Other Professional Staff											
Salaries of Secretarial and Clerical Assistants											
Other Salaries							54,819			6,217	33,550
Salaries Family Liaison											
Salaries of Masters Teachers											
Personal services- employee benefits											
Purchased Professional/Educational Services							4,194				7,497
Purch. Prof./Ed. Svc - Head Start											32,120
Miscellaneous purchased services (400-500 series)											32,576
Contracted Service - Trans (Field Trips)											
Travel											
Supplies and materials											
Conduit Expenses											
Student Activities/Athletics											
Total support services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,013</u>	<u>-</u>	<u>-</u>	<u>6,217</u>	<u>105,743</u>
Facilities acquisition and const. serv.:											
Instructional equipment									6,660		
Noninstructional equipment											
Construction services								13,450			
								169,247			
Total facilities acquisition and construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>182,697</u>	<u>6,660</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>38,510</u>	<u>87,073</u>	<u>3,092</u>	<u>16,833</u>	<u>33,866</u>	<u>24,647</u>	<u>115,013</u>	<u>182,697</u>	<u>6,660</u>	<u>34,070</u>	<u>361,137</u>
Excess (Deficiency) of Revenues Over (Under)											
Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance , July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	NJ After School Summer	Hiring Retention	Preschool Education Aid	Total State Funds	I.D.E.A. Part - B Basic	I.D.E.A. Part - B Preschool	Title I Part A	Title I S/A	Title II Part A	Title III English Language Enhancement	Title III Immigrant	Carl D. Perkins Vocational	ARP I.D.E.A. Basic
REVENUES:													
State Sources	111,024	26,925	5,249,234	6,414,299	\$ 1,808,598	66,368	812,784	44,700	228,180	38,182	5,069	49,403	273,286
Federal Sources			1,700,000	1,700,000									
Local Sources			6,949,234	8,114,299	1,808,598	66,368	812,784	44,700	228,180	38,182	5,069	49,403	273,286
Total revenues	111,024	26,925	6,949,234	8,114,299	1,808,598	66,368	812,784	44,700	228,180	38,182	5,069	49,403	273,286
EXPENDITURES:													
Instruction:													
Salaries of teachers	31,299		2,213,787	2,339,393	142,740	22,160	39,346			13,702	4,065		100,300
Other Salaries for Instruction			856,767	856,767									
Purchased prof. and technical services			116,814	503,012			84,962					12,466	
Other purchased services	42,727		3,121	6,213	1,062,783	6,062	442,496			4,756	-	9,734	21,774
General supplies			98,417	168,566									
Textbooks				38,510								1,238	
Other objects	4,261			4,261									
Total instruction	78,287	-	3,288,906	3,916,722	1,205,523	28,222	566,804	-	-	18,458	4,065	23,438	122,074
Support services:													
Salaries of Supervisors of Instruction	750		125,000	125,750									
Salaries			77,542	77,542									
Salaries of Other Professional Staff			381,350	381,350	5,785								
Salaries of Secretarial and Clerical Assistants			50,160	50,160									
Other Salaries			174,659	269,245	152,553		3,183		104,656	14,559		4,693	32,194
Salaries Family Liaison			29,927	29,927									
Salaries of Masters Teachers			252,104	252,104									
Personal services- employee benefits	2,452		1,389,809	1,403,952	22,590	2,138	3,194	44,700	8,006	2,162	310	359	10,136
Purchased Professional/Educational Services			255,833	325,066	335,976	30,223	230,917		85,333			3,215	108,882
Purch. Prof./Ed. Svc - Head Start			377,126	377,126									
Miscellaneous purchased services (400-500 series)	6,920	26,925	504,668	571,089	91,956				15,051	2,303		5,212	
Contracted Service - Trans (Field Trips)			2,615	2,615									
Travel				-									
Supplies and materials	250		19,755	100,149			8,686		15,134	700	694		
Conduit Expenses				-									
Student Activities/Athletics				-									
Total support services	10,372	26,925	3,640,548	3,966,075	603,075	38,146	245,980	44,700	228,180	19,724	1,004	20,965	151,212
Facilities acquisition and const. serv.:													
Instructional equipment	22,365		13,500	42,525								5,000	
Noninstructional equipment			6,280	19,730									
Construction services				169,247									
Total facilities acquisition and construction services	22,365	-	19,780	231,502	-	-	-	-	-	-	-	5,000	-
Total expenditures	111,024	26,925	6,949,234	8,114,299	1,808,598	66,368	812,784	44,700	228,180	38,182	5,069	49,403	273,286
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance , July 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ARP I.D.E.A. Preschool	21st Century CLC Program	ARP ESSER	ARP Learning Acceleration	ARP Summer Learning	ARP Homeless Grant	Total Federal Funds	AtlantiCare Grant	Community Partnership	WIB Eagle Incentive	Sustainable Schools	NY Life Foundation	Schultz Hill Foundation
REVENUES:													
State Sources													
Federal Sources	30,130	76,611	3,665,335	183,190	1,956	63,647	7,347,439	8,969	1,967	4,920	4,621	464	1,742
Local Sources	30,130	76,611	3,665,335	183,190	1,956	63,647	7,347,439	8,969	1,967	4,920	4,621	464	1,742
Total revenues													
	19,714	41,628 6,944	214,739				598,394 6,944						
Instruction:													
Salaries of teachers													
Other Salaries for Instruction													
Purchased prof. and technical services										2,625			
Other purchased services							3,662,749			844			
General supplies	7,030	-	40,250		1,956	-	534,058	8,969	1,967	788		464	1,742
Textbooks													
Other objects							1,238			663			
Total instruction	26,744	48,572	2,854,955	-	1,956	-	4,900,811	8,969	1,967	4,920	-	464	1,742
EXPENDITURES:													
Support services:													
Salaries of Supervisors of Instruction													
Salaries													
Salaries of Other Professional Staff							5,785						
Salaries of Secretarial and Clerical Assistants													
Other Salaries	1,744	19,196	52,343	114,621			499,742						
Salaries Family Liaison													
Salaries of Masters Teachers													
Personal services- employee benefits	1,642	5,260	19,711	8,799			84,307						
Purchased Professional/Educational Services			358,517	59,770			1,257,533						
Purch. Prof./Ed. Svc - Head Start													
Miscellaneous purchased services (400-500 series)		3,583	23,149			63,647	204,901						
Contracted Service - Trans (Field Trips)													
Travel							7,486						
Supplies and materials							225,199				4,621		
Conduit Expenses													
Student Activities/Athletics													
Total support services	3,386	28,039	653,705	183,190	-	63,647	2,284,953	-	-	-	4,621	-	-
Facilities acquisition and const. serv.:													
Instructional equipment							5,000						
Noninstructional equipment													
Construction services			156,675				156,675						
Total facilities acquisition and construction services			156,675				161,675						
Total expenditures	30,130	76,611	3,665,335	183,190	1,956	63,647	7,347,439	8,969	1,967	4,920	4,621	464	1,742
Excess (Deficiency) of Revenues Over (Under)	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance , July 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenue and Expenditures
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Powersave Schools	Tanger Kids	Gro More Good	Neaf Envision Equity	Hamels Foundation	Unified Sports	Conduit Fund	Student Activities/Athletics Fund	Total All Other Funds	Totals
REVENUES:										
State Sources									-	6,414,299
Federal Sources									-	7,347,439
Local Sources	609	493	70	4,434	198	19,000	3,659	729,993	781,139	2,481,139
Total revenues	609	493	70	4,434	198	19,000	3,659	729,993	781,139	16,242,877
EXPENDITURES:										
Instruction:										
Salaries of teachers						18,580			18,580	2,956,367
Other Salaries for Instruction									-	863,711
Purchased prof. and technical services									2,625	603,065
Other purchased services									844	3,669,806
General supplies	609	493	70	706	198				16,006	718,630
Textbooks									-	38,510
Other objects									663	6,162
Total instruction	609	493	70	706	198	18,580	-	-	38,718	8,856,251
Support services:										
Salaries of Supervisors of Instruction									-	125,750
Salaries									-	77,542
Salaries of Other Professional Staff									-	387,135
Salaries of Secretarial and Clerical Assistants									-	50,160
Other Salaries						420			420	769,407
Salaries Family Liaison									-	29,927
Salaries of Masters Teachers									-	252,104
Personal services- employee benefits									-	1,488,259
Purchased Professional/Educational Services									-	1,582,599
Purch. Prof./Ed. Svc - Head Start									-	377,126
Miscellaneous purchased services (400-500 series)									-	775,990
Contracted Service - Trans (Field Trips)									-	2,615
Travel									-	7,486
Supplies and materials									4,621	329,969
Conduit Expenses							9,520		9,520	9,520
Student Activities/Athletics								719,630	719,630	719,630
Total support services	-	-	-	-	-	420	9,520	719,630	734,191	6,985,219
Facilities acquisition and const. serv.:										
Instructional equipment				3,728					3,728	51,253
Noninstructional equipment									-	19,730
Construction services									-	325,922
Total facilities acquisition and construction services	-	-	-	3,728	-	-	-	-	3,728	396,905
Total expenditures	609	493	70	4,434	198	19,000	9,520	719,630	776,637	16,238,375
Excess (Deficiency) of Revenues Over (Under)	-	-	-	-	-	-	(5,861)	10,363	4,502	4,502
Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	43,093	428,741	471,834	471,834
Fund Balance , July 1	-	-	-	-	-	-	37,232	439,104	476,336	476,336
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teaches	\$ 2,213,787	2,213,787	-
Other Salaries for Instruction	966,670	856,767	109,903
Purchased Professional and Educational Svc	116,814	116,814	-
Other Purchased Services (400-500 series)	6,990	3,121	3,869
General Supplies	103,639	98,417	5,222
Total Instruction	<u>3,407,900</u>	<u>3,288,906</u>	<u>118,994</u>
Support Services:			
Salaries of Supervisors of Instruction	93,050	77,542	15,508
Salaries of Program Directors	125,000	125,000	-
Salaries of Other Professional Staff	420,912	381,350	39,562
Salaries of Secretarial and Clerical Assistants	50,406	50,160	246
Other Salaries	195,738	174,659	21,079
Salaries of Community Parent Involvement Spec.	30,280	29,927	353
Salaries of Masters Teachers	252,104	252,104	-
Personal Services - Employee Benefits	1,595,238	1,389,809	205,429
Purchased Professional - Educational Services	564,095	255,833	308,262
Purch, Prof.-Ed. Svc. - Head Start	377,126	377,126	-
Other Purchased Services	519,336	504,668	14,668
Contracted Svc - Transportation	17,652	-	17,652
Contracted Svc - Transportation - Field Trips	4,500	2,615	1,885
Supplies and Materials	19,755	19,755	-
Total Support Services	<u>4,265,192</u>	<u>3,640,548</u>	<u>624,644</u>
Facilities Acquisition and Construction Services			
Instructional equipment	18,923	13,500	5,423
Noninstructional equipment	6,280	6,280	-
Total Facilities Acquisition and Construction Ser.	<u>25,203</u>	<u>19,780</u>	<u>5,423</u>
Contribution to Charter Schools			
None	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 7,698,295</u>	<u>6,949,234</u>	<u>749,061</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2022-23 Preschool Education Aid Allocation	\$ 6,181,358
Add: Actual Carryover June 30, 2022	234,910
	<u>6,416,268</u>
Add: Budgeted Transfer from the General Fund	1,700,000
Total Preschool Education Aid Funds Available for 2022/2023 Budget	<u>8,116,268</u>
Less: 2022/2023 Budgeted Preschool Education Aid - Prior Year Budget Carryover	(7,698,295)
Available & Unbudgeted Preschool Education Aid Funds, June 30, 2023	417,973
Add: June 30, 2023 Unexpended Preschool Education Aid	749,061
2022-2023 Carryover - Preschool Education Aid	<u>\$ 1,167,034</u>
2022-23 Preschool Education Carryover Budgeted for Preschool Programs 2023-2024	<u>\$ 502,822</u>

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LONG-TERM DEBT

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EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2023

I-1

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2022	Issued	Refunded/Retired	Balance June 30, 2023
			Date	Amount					
General Obligation - Refunding Bonds	10/01/04	\$ 50,735,000	7/15/23	4,460,000	5.500%				
			7/15/24	4,715,000	5.750%				
			7/15/25	4,985,000	5.750%	\$ 18,380,000		4,220,000	14,160,000
General Obligation - Refunding Bonds	12/05/12	6,805,000	4/1/24	855,000	3.500%	1,690,000		835,000	855,000
	General Obligation -	01/06/16	14,365,000	4/1/24	65,000	2.000%			
4/1/25				995,000	5.000%				
4/1/26				955,000	5.000%				
4/1/27				2,300,000	4.000%				
4/1/28				2,515,000	3.000%				
4/1/29				3,205,000	3.000%				
	4/1/30	2,975,000	3.000%	13,070,000		60,000	13,010,000		
General Obligation -	06/01/16	19,320,000	9/15/23	1,890,000	5.000%				
			9/15/24	1,970,000	2.000%				
			9/15/25	2,020,000	2.125%				
			9/15/26	2,090,000	4.000%				
			9/15/27	2,170,000	2.375%				
	9/15/28	2,230,000	2.500%	14,160,000		1,790,000	12,370,000		
						\$ 47,300,000		6,905,000	40,395,000

EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations under Capital Leases
June 30, 2023

Series	Date of Inception	Interest Rate Payable	Amount of Original Issue	Amount Outstanding June 30, 2022	Issued Current Year	Retired Current Year	Amount Outstanding June 30, 2023
TD Equipment Finance 54 passenger buses (12)	12/15/16	1.6000%	1,217,258	259,696	-	259,696	-
TD Equipment Finance Various buses, vehicles & equipment	10/13/17	1.7000%	2,703,662	469,501	-	469,501	-
TD Equipment Finance 54 passenger buses (8)	5/31/18	2.9500%	816,770	135,691	-	135,691	-
Banc of America Various buses & equipment	7/14/19	1.9459%	1,918,179	755,879	-	374,298	381,581
U.S. Bancorp Buses	12/15/19	2.1670%	680,000	192,198	-	95,069	97,129
JP Morgan Chase Bank, NA Various buses & equipment	6/15/20	1.2600%	1,910,065	1,014,864	-	445,289	569,575
Banc of America Technology equipment & buses	7/15/21	0.6294%	1,501,550	1,101,550	-	393,067	708,483
Banc of America Various buses & equipment	7/15/21	0.9121%	1,447,250	1,347,250	-	87,712	1,259,538
Cogent Leasing and Financing Various buses & equipment	2/1/23	4.0900%	335,000	-	335,000	100,000	235,000
			<u>\$ 5,276,629</u>	<u>\$ 335,000</u>	<u>\$ 2,360,323</u>	<u>\$ 3,251,306</u>	

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Under/(Over) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 5,500,425		5,500,425	5,500,422	(3)
Other Miscellaneous					-
	<u>5,500,425</u>	<u>-</u>	<u>5,500,425</u>	<u>5,500,422</u>	<u>(3)</u>
State Sources:					
Debt Service Aid Type II	3,252,312		3,252,312	3,252,312	-
Total - State Sources	<u>3,252,312</u>	<u>-</u>	<u>3,252,312</u>	<u>3,252,312</u>	<u>-</u>
Total Revenues	<u>8,752,737</u>	<u>-</u>	<u>8,752,737</u>	<u>8,752,734</u>	<u>(3)</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	1,847,737		1,847,737	1,847,737	-
Redemption of Principal	6,905,000		6,905,000	6,905,000	-
Total Regular Debt Service	<u>8,752,737</u>	<u>-</u>	<u>8,752,737</u>	<u>8,752,737</u>	<u>-</u>
Total expenditures	<u>8,752,737</u>	<u>-</u>	<u>8,752,737</u>	<u>8,752,737</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(3)	(3)
Other Financing Sources (Uses):					
Transfer from Capital Projects				-	
Fund Balance, July 1	191,283	-	191,283	191,283	-
Fund Balance, June 30	<u>\$ 191,283</u>	<u>-</u>	<u>191,283</u>	<u>191,280</u>	<u>(3)</u>

Recapitulation of Fund Balance:

Designated for Subsequent Year's Expenditures	-
Restricted Fund Balance	<u>191,280</u>
	<u>191,280</u>

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Statistical Section

Financial Trends (J-1 through J-5)

These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.

Revenue Capacity (J-6 through J-9)

These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax.

Debt Capacity (J-10 through J-13)

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

Demographic and Economic Information (J-14 and J-15)

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information (J-16 through J-20)

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 104,590,050	104,910,948	98,617,866	94,537,783	90,630,148	94,073,351	91,851,310	94,979,615	98,173,044	109,517,230
Restricted	2,635,593	1,685,301	1,077,373	1,916,722	387,165	561,482	473,736	10,145,466	4,708,485	14,970,247
Unrestricted	(23,453,834)	(19,965,011)	(23,503,022)	(28,846,773)	(28,488,720)	(35,260,714)	(34,183,563)	(39,995,106)	(31,444,863)	(33,039,496)
Total governmental activities net position	83,771,809	86,631,238	76,192,217	67,607,732	62,528,593	59,374,119	58,141,483	65,129,975	71,436,666	91,447,981
Business-type activities										
Net investment in capital assets	151,742	169,101	193,910	227,654	258,567	216,086	205,422	215,826	196,635	255,887
Unrestricted	1,301,455	1,244,294	1,225,389	1,142,623	997,010	788,206	440,132	740,181	2,295,226	2,722,246
Total business-type activities net position	1,453,197	1,413,395	1,419,299	1,370,277	1,255,577	1,004,292	645,554	956,007	2,491,861	2,978,133
District-wide										
Net investment in capital assets	104,741,792	105,080,049	98,811,776	94,765,437	90,888,715	94,289,437	92,056,732	95,195,441	98,369,679	109,773,117
Restricted	2,635,593	1,685,301	1,077,373	1,916,722	387,165	561,482	473,736	10,145,466	4,708,485	14,970,247
Unrestricted	(22,152,379)	(18,720,717)	(22,277,633)	(27,704,150)	(27,491,710)	(34,472,508)	(33,743,431)	(39,254,925)	(29,149,637)	(30,317,250)
Total district net position	85,225,006	88,044,633	77,611,516	68,978,009	63,784,170	60,378,411	58,787,037	66,085,982	73,928,527	94,426,114

Source: ACFR Schedule A-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 50,450,298	54,824,412	62,992,932	70,490,116	72,213,619	65,807,348	67,402,875	78,712,650	72,038,214	62,415,329
Special education	11,493,725	12,629,713	15,301,873	17,501,382	18,030,639	17,135,710	17,807,976	21,697,536	36,166,778	28,435,085
Other special education	3,252,789	3,499,661	3,597,262	3,772,492	3,831,228	3,710,830	3,769,208	4,442,104	5,292,813	6,505,301
Other instruction	1,771,611	1,892,096	2,199,347	2,369,267	2,417,604	2,545,964	2,328,317	2,403,674	3,003,674	2,727,833
Nonpublic school programs	228,199	174,675	141,130	194,888	194,769	152,145	170,125	190,591	170,184	252,286
Support Services:										
Tuition	6,214,391	7,960,177	8,518,177	4,862,379	4,918,423	4,350,963	5,041,378	1,822,358	2,212,909	1,751,980
Student & instruction related services	19,490,668	22,037,455	26,161,293	28,170,831	31,061,444	31,103,432	29,799,591	32,782,473	42,642,176	33,390,689
General administrative services	4,276,394	4,581,496	5,308,159	5,701,273	6,039,246	5,718,580	5,143,538	5,986,579	4,106,598	5,374,368
School administrative services	5,867,838	6,570,957	7,747,451	8,816,177	9,020,644	8,230,590	7,417,681	8,926,098	5,379,206	7,357,782
Plant operations and maintenance	13,966,789	14,758,183	16,965,477	18,712,027	19,893,048	19,964,864	18,960,802	22,093,127	18,158,986	20,797,437
Pupil transportation	10,273,699	11,138,585	12,675,554	14,027,054	14,841,206	14,798,076	13,712,720	13,350,650	10,173,662	14,071,194
Special Schools										
Interest on long-term debt	4,742,049	4,565,316	4,359,240	3,966,799	3,685,474	3,370,398	3,114,493	2,779,251	2,525,217	2,505,663
Capital Outlay	2,000	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	<u>132,030,450</u>	<u>144,632,726</u>	<u>165,967,895</u>	<u>178,584,685</u>	<u>186,147,344</u>	<u>176,888,900</u>	<u>174,668,704</u>	<u>195,191,702</u>	<u>201,870,417</u>	<u>185,584,947</u>
Business-type activities:										
Food service	3,307,547	3,254,280	3,207,090	3,205,149	3,265,814	3,221,677	2,889,665	2,779,434	3,785,693	3,936,592
Child Care	329,321	347,520	350,893	378,739	319,273	283,288	189,658	164,455	198,748	438,105
Eagle Enterprises								2,326	3,489	3,490
Total business-type activities expense	<u>3,636,868</u>	<u>3,601,800</u>	<u>3,557,983</u>	<u>3,583,888</u>	<u>3,585,087</u>	<u>3,504,965</u>	<u>3,079,323</u>	<u>2,946,215</u>	<u>3,987,930</u>	<u>4,378,187</u>
Total district expenses	<u>135,667,318</u>	<u>148,234,526</u>	<u>169,525,878</u>	<u>182,168,573</u>	<u>189,732,431</u>	<u>180,393,865</u>	<u>177,748,027</u>	<u>198,137,917</u>	<u>205,858,347</u>	<u>189,963,134</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Special schools										
Tuition	758,420	786,941	786,941	757,355	1,100,072	1,069,048	586,091	634,522	797,109	659,437
Operating grants and contributions	12,593,881	25,360,104	25,360,104	46,519,012	52,322,651	41,125,290	34,423,905	57,439,295	54,993,791	42,550,651
Total governmental activities program revenues	<u>13,352,301</u>	<u>26,147,045</u>	<u>26,147,045</u>	<u>47,276,367</u>	<u>53,422,723</u>	<u>42,194,338</u>	<u>35,009,996</u>	<u>58,073,817</u>	<u>55,790,900</u>	<u>43,210,088</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services										
Food service	1,352,940	1,225,494	1,230,505	1,173,642	1,097,969	1,052,374	705,367	11,914	227,453	1,215,819
Child care	318,293	311,977	315,708	265,522	269,421	228,012	277,384	327,368	405,169	589,619
Operating grants and contributions	1,874,069	2,023,917	2,006,187	2,094,060	2,044,895	1,993,374	1,688,176	2,913,975	4,889,130	3,005,844
Total business type activities program revenues	3,545,302	3,561,388	3,552,400	3,533,224	3,412,285	3,273,760	2,670,927	3,253,257	5,521,752	4,811,282
Total district program revenues	16,897,603	29,708,433	29,699,445	50,809,591	56,835,008	45,468,098	37,680,923	61,327,074	61,312,652	48,021,370
Net (Expense)/Revenue										
Governmental activities	(118,678,149)	(118,485,681)	(139,820,850)	(131,308,318)	(132,724,621)	(134,694,562)	(139,658,708)	(137,117,885)	(146,079,517)	(142,374,859)
Business-type activities	(91,566)	(40,412)	(5,583)	(50,564)	(172,802)	(231,205)	(408,396)	307,042	1,533,822	433,095
Total district-wide net expense	(118,769,715)	(118,526,093)	(139,826,433)	(131,358,882)	(132,897,423)	(134,925,767)	(140,067,104)	(136,810,843)	(144,545,695)	(141,941,764)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	69,175,095	71,015,418	72,986,000	74,445,720	75,615,712	77,128,026	79,449,051	81,038,032	81,038,032	80,227,652
Taxes levied for debt service	5,731,780	5,711,491	5,751,186	5,674,577	5,565,859	5,551,811	5,589,401	5,571,072	5,555,551	5,500,422
Unrestricted grants and contributions	40,929,772	40,923,098	40,948,861	41,803,805	42,802,324	45,062,043	49,285,702	51,909,524	62,231,266	72,014,785
Federal and state aid restricted	3,253,736	3,259,532	3,262,441	3,269,108	3,179,765	3,229,297	3,235,262	3,242,453	3,247,399	3,252,312
Transportation charges										
Investment earnings	37,315	41,339	55,169	75,759	2,000	3,000	3,000	3,000	3,000	3,000
Miscellaneous income	1,340,948	397,613	979,474	924,923	568,294	914,441	1,491,844	601,660	927,045	738,925
Special items	(1,186,731)	(3,381)	(1,651,769)	(3,470,059)	(88,472)	(348,530)	(628,188)	(148,908)	(345,552)	649,075
Prior year receivables/payables canceled									(270,530)	-
Total governmental activities	119,281,915	121,345,110	122,331,362	122,723,833	127,645,482	131,540,088	138,426,072	142,216,833	152,386,211	162,386,171
Business-type activities:										
Investment earnings	2,265	1,912	1,753	1,642	2,050	5,179	9,658	3,411	2,032	21,623
Special items	55,965	(1,302)	9,734	-	56,052	(25,259)	40,000	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	58,230	610	11,487	1,642	58,102	(20,080)	49,658	3,411	2,032	21,623
Total district-wide	119,340,145	121,345,720	122,342,849	122,725,475	127,703,584	131,520,008	138,475,730	142,220,244	152,388,243	162,407,794

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Change in Net Position										
Governmental activities	603,766	2,859,429	(17,489,488)	(8,584,485)	(5,079,139)	(3,154,474)	(1,232,636)	5,098,948	6,306,694	20,011,312
Business-type activities	(33,336)	(39,802)	5,904	(49,022)	(114,700)	(251,285)	(358,738)	310,453	1,535,854	454,718
Total district	<u>570,430</u>	<u>2,819,627</u>	<u>(17,483,584)</u>	<u>(8,633,507)</u>	<u>(5,193,839)</u>	<u>(3,405,759)</u>	<u>(1,591,374)</u>	<u>5,409,401</u>	<u>7,842,548</u>	<u>20,466,030</u>
\$										

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

Source: ACFR Schedule A-2

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 15,672,131	16,822,512	16,019,118	13,156,094	13,754,862	10,022,868	12,426,083	9,954,183	4,045,370	14,302,631
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	347,890	735,069	1,869,581	800,070	756,454	282,453	4,316,277	9,494,061	7,356,032
Unassigned	(195,438)	-	-	-	-	-	-	1,893,267	1,903,698	(1,696,016)
Total general fund	<u>15,476,693</u>	<u>17,170,402</u>	<u>16,754,187</u>	<u>15,025,675</u>	<u>14,554,932</u>	<u>10,779,322</u>	<u>12,708,536</u>	<u>16,163,727</u>	<u>15,443,129</u>	<u>19,962,647</u>
All Other Governmental Funds										
Restricted	453,308	191,301	246,833	335,375	227,924	191,282	191,283	708,643	663,117	667,616
Committed	2,144,542	1,132,546	95,471	-	-	-	-	-	-	-
Assigned	37,743	13,564	-	-	-	-	-	-	(2)	-
Unassigned	-	-	-	-	-	-	-	(283,587)	(381,857)	(618,136)
Total all other governmental funds	<u>2,635,593</u>	<u>1,337,411</u>	<u>342,304</u>	<u>335,375</u>	<u>227,924</u>	<u>191,282</u>	<u>191,283</u>	<u>425,056</u>	<u>281,258</u>	<u>49,480</u>

Source: ACFR Schedule B-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	\$ 74,906,875	76,726,909	78,737,186	80,120,297	81,181,571	82,679,837	85,038,452	86,609,104	86,593,583	85,728,074
Tuition charges	758,420	786,941	717,238	757,355	1,100,072	1,069,048	586,091	634,522	797,109	659,437
Transportation charges										
Interest earnings	37,315	41,339	33,859	33,859	33,859				3,000	3,000
Rentals			55,169	75,759	2,000	3,000	3,000	3,000	927,045	738,925
Miscellaneous	1,340,948	397,613	731,845	1,104,834	534,435	914,441	1,491,844	601,660	1,748,624	4,952,126
Local sources	36,455	15,751	2,169	22,306	4,266	29,903	25,433	464,590	1,951,827	113,915,553
State sources	53,384,159	54,745,251	56,551,128	59,029,044	62,259,611	66,859,615	72,221,467	80,315,163	101,951,827	113,915,553
Federal sources	3,356,773	3,492,013	3,763,699	3,532,315	4,271,930	4,175,657	4,274,627	7,764,118	9,857,048	7,721,332
Total revenue	133,820,945	136,205,817	140,592,293	144,675,769	149,387,744	155,731,501	163,640,914	176,392,157	201,878,236	213,718,447
Expenditures										
Instruction										
Regular Instruction	35,205,925	35,101,944	36,989,169	38,060,970	38,511,889	39,390,980	41,469,477	47,120,871	41,854,999	43,912,529
Special education instruction	7,585,720	7,835,258	8,516,160	9,369,001	9,426,133	9,452,324	10,772,118	11,847,366	21,013,298	21,525,724
Other special instruction	2,075,277	2,057,868	1,939,201	1,941,032	1,934,150	2,018,450	2,232,876	2,279,718	3,075,183	4,258,128
Other instruction	1,313,499	1,316,270	1,423,881	1,409,775	1,458,668	1,613,925	1,565,079	1,425,936	1,745,167	1,860,748
Nonpublic school programs	228,199	174,675	141,130	194,888	194,769	152,145	170,125	190,591	170,184	252,286
Support Services:										
Tuition	3,724,846	4,722,724	4,161,898	4,862,379	4,918,423	4,350,963	5,041,378	1,822,358	2,212,909	1,751,980
Student & instruction related services	13,233,770	13,793,357	14,789,363	14,511,556	16,166,263	17,402,076	18,042,592	17,986,939	24,775,576	24,053,033
General administrative services	2,839,377	2,778,659	2,894,089	2,817,613	2,958,324	3,082,141	2,998,297	3,056,029	3,137,774	3,421,350
School Administrative services	3,509,442	3,622,601	3,726,199	3,851,581	3,841,837	3,857,385	3,796,751	3,969,297	4,110,150	4,283,950
Plant operations and maintenance	9,266,653	8,783,610	9,348,054	9,516,462	9,778,417	10,790,616	10,979,147	11,450,637	12,436,055	13,433,119
Pupil transportation	6,838,838	6,550,746	6,894,685	6,931,748	7,208,272	8,011,872	7,767,492	6,781,582	8,626,528	8,755,628
Unallocated employee benefits	33,907,585	36,239,815	39,221,873	41,783,949	43,373,118	47,815,600	45,569,440	54,920,545	63,157,519	62,516,512
Special Schools										
Capital outlay	3,719,997	4,291,997	5,647,612	3,532,222	5,589,507	2,787,526	6,990,509	2,927,343	9,759,167	10,444,844
Debt service:										
Principal	4,620,000	4,815,000	5,030,000	5,400,000	5,525,000	5,755,000	6,040,000	6,330,000	6,620,000	6,905,000
Interest and other charges	4,365,516	4,193,766	3,956,659	3,445,292	3,328,075	3,062,750	2,784,662	2,483,525	2,726,091	2,390,878
Total expenditures	132,434,644	136,278,290	144,679,973	147,628,468	154,212,845	159,543,753	166,219,943	174,592,737	205,420,600	209,765,709
Excess (Deficiency) of revenues over (under) expenditures	1,386,301	(72,473)	(4,087,680)	(2,952,699)	(4,825,101)	(3,812,252)	(2,579,029)	1,799,420	(3,542,364)	3,952,738

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing sources (uses)										
Capital leases (non-budgeted)	374,534	468,000	2,676,358	1,217,258	4,246,907		4,508,244			335,000
Cancellation of prior year receivables	(153,640)									-
Total other financing sources (uses)	<u>220,894</u>	<u>468,000</u>	<u>2,676,358</u>	<u>1,217,258</u>	<u>4,246,907</u>	<u>-</u>	<u>4,508,244</u>	<u>-</u>	<u>-</u>	<u>335,000</u>
Net change in fund balances	<u>\$ 1,607,195</u>	<u>395,527</u>	<u>(1,411,322)</u>	<u>(1,735,441)</u>	<u>(578,194)</u>	<u>(3,812,252)</u>	<u>1,929,215</u>	<u>1,799,420</u>	<u>(3,542,364)</u>	<u>4,287,738</u>
Debt service as a percentage of noncapital expenditures	6.98%	6.83%	6.46%	6.14%	5.96%	5.63%	5.54%	5.13%	4.78%	4.66%

Source: ACFR Schedule B-2

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

Fiscal Year Ended June 30,	Adult Evening	Refund of	Lawsuit Settlements	Use of Facilities	Interest Earned	Sale of SRECS	Misc.	Total
	School Tuition	Prior Year Expenditures						
2014	2,790	1,046,090	-	88,597		172,175	17,732	1,327,384
2015	-	106,761	-	82,979		184,200	23,653	397,593
2016		26,631		-		564,170	196,594	787,395
2017		22,849		-		675,324	435,371	1,133,544
2018		7,113				386,297	119,643	513,053
2019		104,248				539,644	188,403	832,295
2020		123,518				644,782	696,173	1,464,473
2021		5,448				283,700	247,298	536,446
2022		52			50,752	701,206	5,742	757,752
2023		736			293,793	325,000	109,744	729,273

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Class I Railroad	Public Utilities ^a	Net Valuation Taxable	School Tax Rate ^b	Total Direct	Estimated Actual (County Equalized Value)
* 2014	166,478,000	3,046,695,000	5,084,900	554,100	798,150,900	43,509,200	16,192,000	4,076,664,100	15,300	15,300	8,175,829	4,084,855,229	1.830	4,188,735,879	
2015	151,264,300	3,060,824,300	5,457,400	734,300	787,632,800	43,509,200	16,192,000	4,065,614,300	15,300	15,300	8,586,762	4,074,216,362	1.900	4,166,224,052	
2016	141,631,800	3,079,654,400	5,116,300	819,700	793,693,100	43,509,200	16,192,000	4,080,616,500	15,300	15,300	8,434,662	4,089,066,462	1.930	4,189,172,382	
2017	144,125,200	3,098,196,000	5,122,700	713,700	755,978,515	43,120,500	16,192,000	4,063,448,615	15,300	15,300	8,514,802	4,071,978,717	2.000	4,104,024,465	
2018	128,740,600	3,090,670,100	5,577,800	784,400	777,298,250	40,806,400	15,841,500	4,059,719,050	-	-	8,661,779	4,068,380,829	2.020	4,050,620,528	
2019	124,068,100	3,089,318,200	5,317,300	683,000	761,849,150	40,806,400	15,841,500	4,037,883,650	-	-	8,798,245	4,046,681,895	2.030	4,067,353,658	
2020	121,930,400	3,088,852,500	5,530,500	685,900	762,644,550	40,806,400	15,841,500	4,036,291,750	-	-	8,234,896	4,044,526,646	2.120	4,344,809,120	
2021	112,745,100	3,099,354,500	5,530,500	685,800	760,807,250	40,806,400	23,126,000	4,043,055,550	-	-	8,277,539	4,051,333,089	2.140	4,445,866,088	
2022	105,496,400	3,148,896,100	4,931,100	715,400	741,900,750	40,806,400	36,341,500	4,079,087,650	-	-	7,774,773	4,086,862,423	2.139	4,788,851,946	
2023	95,729,900	3,182,555,800	4,111,300	713,400	749,171,950	38,649,100	44,637,700	4,115,569,150	-	-	-	4,115,569,150	2.068	5,148,663,643	

Source: District records Tax list summary & Municipal Tax Assessor

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

* Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

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

Fiscal Year Ended June 30,	Egg Harbor Township Board of Education			Egg Harbor Township	Atlantic County	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct			
2014	1.717	0.141	1.858	0.519	0.481	2.858
2015	1.768	0.140	1.908	0.538	0.508	2.954
2016	1.783	0.141	1.924	0.550	0.505	2.979
2017	1.863	0.139	2.002	0.560	0.523	3.085
2018	1.878	0.138	2.016	0.570	0.559	3.145
2019	1.937	0.137	2.074	0.598	0.539	3.211
2020	1.985	0.138	2.124	0.608	0.569	3.301
2021	2.000	0.139	2.139	0.633	0.590	3.362
2022	1.964	0.135	2.099	0.632	0.604	3.335
2023	1.935	0.133	2.068	0.662	0.618	3.348

Source: District Records and Municipal Tax Collector

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

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b** Rates for debt service are based on each year's requirements.

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

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
DR Horton, Inc.	38,967,900	1	0.95%			
Atlanticare Health Services, Inc.	36,153,100	2	0.88%	13,682,100	5	0.33%
Egg Harbor Associates, LLC	30,684,500	3	0.75%			
Harbor Landing 2021, LLC	20,500,000	4	0.50%			
AHIP NJ	18,760,900	5	0.46%			
Spencer Gifts, Inc.	14,632,200	6	0.36%			
English Creek LLC	14,500,000	7	0.35%	18,077,300	2	0.44%
US Realty Financial Corp	13,627,000	8	0.33%	35,259,200	1	0.86%
Home Depot Development Co of MD	10,500,000	9	0.26%	10,831,200	8	0.27%
PAMCNJ Real Estate, LP	10,296,000	10	0.25%			0.00%
Margate Bridge Company				9,710,900	9	0.24%
Lowe's Home Centers, Inc.				15,624,500	3	0.38%
Atlantic City Electric Co.				15,038,400	4	0.37%
Trocki Hotels LP				9,561,800	10	0.23%
Hidden Creek Golf Club, LLC				11,309,000	7	0.28%
Cardiff Center, LLC				11,362,500	6	0.28%
Total	208,621,600		5.07%	150,456,900		3.68%
District Net Assessed Value			4,115,569,150			4,084,855,229

Source: District ACFR & Municipal Tax Assessor

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	74,906,875	74,906,875	100%	-
2015	76,726,909	76,726,909	100%	-
2016	78,737,186	78,737,186	100%	-
2017	80,120,297	80,120,297	100%	-
2018	81,181,571	81,181,571	100%	-
2019	82,679,837	82,679,837	100%	-
2020	85,038,452	85,038,452	100%	-
2021	86,609,104	86,609,104	100%	-
2022	86,593,583	86,593,583	100%	-
2023	85,728,074	85,728,074	100%	-

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

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Capital Leases		Capital Leases				
2014	92,875,000	856,512	-	-	93,731,512	5.19%	2,142	
2015	88,060,000	826,842	-	-	88,886,842	4.86%	2,038	
2016	82,970,000	2,646,482	-	-	85,616,482	4.58%	1,977	
2017	77,570,000	3,081,473	27,680	27,680	80,679,153	4.27%	1,880	
2018	72,045,000	5,925,167	40,802	40,802	78,010,969	4.09%	1,818	
2019	66,290,000	4,401,751	-	-	70,691,751	4.50%	1,951	
2020	60,250,000	6,598,391	-	-	66,848,391	3.29%	1,582	
2021	53,920,000	4,575,025	-	-	58,495,025	2.71%	1,389	
2022	47,300,000	5,276,629	-	-	52,576,629	1.97%	1,101	
2023	40,395,000	3,251,306	-	-	43,646,306	1.56%	910	

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

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

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

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

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2014	92,875,000		92,875,000	2.27%	2,122
2015	88,060,000		88,060,000	2.16%	2,019
2016	82,970,000		82,970,000	2.03%	1,916
2017	77,570,000		77,570,000	1.90%	1,807
2018	72,045,000		72,045,000	1.77%	1,689
2019	66,290,000		66,290,000	1.64%	1,554
2020	60,250,000		60,250,000	1.49%	1,420
2021	53,920,000		53,920,000	1.33%	1,281
2022	47,300,000		47,300,000	1.16%	991
2023	40,395,000		40,395,000	0.98%	843

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

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

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

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2023
Unaudited

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Egg Harbor	\$ 25,006,406	100.00%	25,006,406
Other debt			
Egg Harbor Township Golf Corporation	4,665,000	100.00%	4,665,000
Atlantic County	215,921,221	12.92%	27,889,143
Subtotal, overlapping debt			57,560,549
Township of Egg Harbor School District debt	40,395,000	100.00%	40,395,000
Total direct and overlapping debt	\$		<u>97,955,549</u>

Sources: Township of Egg Harbor Finance Officer and Atlantic County Finance Office

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2022

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 173,469,679	169,614,370	168,846,486	165,525,868	164,023,701	162,775,023	165,826,838	111,954,595	179,241,096	189,329,638
Total net debt applicable to limit	92,875,000	88,060,000	82,970,000	77,570,000	64,755,000	66,290,000	60,250,000	53,920,000	47,300,000	40,395,000
Legal debt margin	\$ 80,594,679	81,554,370	85,876,486	87,955,868	99,268,701	96,485,023	105,576,838	58,034,595	131,941,096	148,934,638
Total net debt applicable to the limit as a percentage of debt limit	53.54%	51.92%	49.14%	46.86%	39.48%	40.72%	36.33%	48.16%	26.39%	21.34%

	2022	2021	2020
Equalized valuation basis	5,081,708,795	4,707,248,283	4,410,765,763
	4,707,248,283	4,410,765,763	4,119,722,841
	4,707,248,283	4,410,765,763	4,119,722,841
Average equalized valuation of taxable property	4,733,240,947		
Debt limit (4% of average) equalization	189,329,638		
Net bonded school debt	40,395,000		
Legal debt margin	148,934,638		

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

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

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2014	43,762	1,807,546	41,304	10.80%
2015	43,614	1,829,476	41,947	9.70%
2016	43,314	1,869,909	43,171	8.70%
2017	42,920	1,887,364	43,974	6.70%
2018	42,651	1,907,992	44,735	6.40%
2019	42,439	1,965,095	46,304	5.30%
2020	42,245	2,032,407	48,110	4.50%
2021	42,105	2,157,755	51,247	17.80%
2022	47,733	2,663,597	55,802	8.80%
2023	47,946	2,795,731	58,310	4.80%

Source:

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

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

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

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

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

Employer	2023			2014		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Federal Aviation Administration			0%	3,500	1	16%
Egg Harbor Township School District			0%	1,168	2	5%
AtlantiCare			0%	546	3	2%
Air National Guard			0%	400	4	2%
Boscov's	Not available		0%	275	5	1%
U.S. Coast Guard			0%	255	6	1%
Home Depot			0%	248	7	1%
Egg Harbor Township			0%	246	8	1%
Spencer Gifts			0%	210	9	1%
Lowe's			0%	208	10	1%
	-		0%	7,056		32%

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

Source: Township of Egg Harbor Official Statements

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

<u>Function/Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	474.0	461.5	466.0	467.5	445.0	436.0	440.0	444.0	447.0	494.0
Special education	160.0	162.0	169.5	176.0	174.0	165.0	171.0	172.0	176.0	181.0
Vocational	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	12.8
Other instruction	-	-	-	-	-	-	-	-	-	7.0
Support Services:										
Student & instruction related services	227.0	246.0	264.0	283.5	305.0	329.9	363.1	359.0	362.0	376.4
General administrative services	8.5	8.0	9.0	8.5	10.0	9.0	9.0	8.0	8.0	14.7
School administrative services	51.0	52.5	51.5	52.5	49.0	49.9	48.0	50.0	50.0	89.0
Central services	8.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0	11.0	11.0
Administrative information technology	5.0	4.0	5.0	5.0	5.0	6.0	6.0	5.0	5.0	13.0
Plant operations and maintenance	117.5	119.0	127.0	125.0	118.0	125.5	121.5	125.0	125.0	115.5
Pupil transportation	116.5	115.5	111.0	109.5	110.0	106.0	110.5	107.5	100.0	126.1
Food Service	42.0	42.0	42.0	42.0	41.0	41.5	38.5	33.5	36.0	42.7
Total	1,215.5	1,226.5	1,261.0	1,285.5	1,273.0	1,284.8	1,323.6	1,321.0	1,326.0	1,483.2

Source: District Personnel Records

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

Fiscal Year	Pupil/Teacher Ratio										Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School						
2014	7,715	119,729,131	15,519	2.10%	661	11.5:1	11.0:1	10.0:1	7,508	7,174	-2.30%	95.55%		
2015	7,639	122,977,527	16,099	3.74%	711	11.5:1	11.0:1	10.0:1	7,489	7,130	-0.25%	95.21%		
2016	7,429	130,045,702	17,505	8.74%	695	11.5:1	11.0:1	10.0:1	7,349	6,990	-1.87%	95.11%		
2017	7,470	135,250,954	18,106	3.43%	650	11.6:1	11.2:1	10.3:1	7,395	7,026	0.63%	95.01%		
2018	7,344	153,841,064	20,948	15.70%	650	11.6:1	11.7:1	11.7:1	7,383	7,014	-0.16%	95.00%		
2019	7,279	147,938,477	20,324	-2.98%	607	12.2:1	11.7:1	11.9:2	7,326	6,946	-0.77%	94.81%		
2020	7,113	150,404,772	21,145	4.04%	617	11.2:1	12.0:1	11.6:1	7,289	7,019	-0.51%	96.30%		
2021	7,155	162,851,869	22,761	7.64%	622	11.4:1	11.4:1	11.7:1	7,189	6,819	-1.37%	94.85%		
2022	7,253	186,315,342	25,688	12.86%	629	11.9:1	11.6:1	11.8:1	7,396	6,904	2.88%	93.35%		
2023	7,455	190,024,987	25,490	-0.77%	695	11.9:1	11.6:1	11.8:1	7,554	7,031	2.14%	93.08%		

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

Note: Enrollment based on annual October district count.

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

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
H. Russell Swift School (1956, 1967, 1970, 2003)										
Square Feet	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229	83,229
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	485	470	438	432	436	410	410	482	489	499
E. H. Slaybaugh School (1970, 1989)										
Square Feet	77,430	77,430	77,430	77,730	77,730	77,730	77,730	77,730	77,730	77,730
Capacity (students)	586	586	586	586	586	586	586	586	586	586
Enrollment	457	413	400	389	405	418	418	583	590	684
E. H. Slaybaugh Primary School (2007)										
Square Feet	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807	58,807
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	402	396	452	466	439	445	445	249	295	379
C. J. Davenport School (1976)										
Square Feet	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718	89,718
Capacity (students)	657	657	657	657	657	657	657	657	657	657
Enrollment	479	506	401	391	375	377	377	418	422	428
C. J. Davenport Primary School (2007)										
Square Feet	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646	57,646
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	402	378	390	387	374	383	383	325	336	330
Dr. Joy Miller Elementary School (2003)										
Square Feet	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538	154,538
Capacity (students)	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194
Enrollment	1,140	1,175	1,150	1,140	1,110	1,099	1,099	1,033	1,041	1,074
<u>Middle School</u>										
Fernwood Avenue (1992)										
Square Feet	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439	203,439
Capacity (students)	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321	1,321
Enrollment	950	934	920	959	970	911	911	883	876	882
Alder Avenue (1992, 2007)										
Square Feet	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174	169,174
Capacity (students)	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389	1,389
Enrollment	911	933	891	866	877	851	851	834	840	844

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
High School										
EHT High School (1983, 2003,, 2012)	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715	444,715
Square Feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Capacity (students)	2,399	2,323	2,279	2,319	2,309	2,346	2,346	2,308	2,325	2,296
Enrollment										
Eagle Academy										
Square Feet	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924	6,924
Capacity (students)	60	60	60	60	60	60	60	60	60	60
Enrollment	22	37	39	37	49	39	39	40	39	39
Other										
Central Administration Building (1969)										
(sold in 2016)										
Square Feet	9,744	9,744	-	-	-	-	-	-	-	-
District Warehouse (1976)										
(sold in 2016)										
Square Feet	1,400	1,400	-	-	-	-	-	-	-	-
Transportation (1980)										
Square Feet	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495	8,495
Maintenance Building (1980)										
Square Feet	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Grounds Building (1980)										
Square Feet	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360
High School Field House (1995, 2014)										
Square Feet	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400

Number of Schools at June 30, 2023
 Elementary = 6
 Middle School = 2
 High School = 2

Source: District records, ASSA

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

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

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

School Facilities	Project # (s)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
H. Russell Swift Elementary School	N/A	\$ 211,699	\$ 138,951	\$ 281,729	\$ 109,153	\$ 64,555	\$ 58,768	\$ 76,933	\$ 55,707	\$ 79,675	91,498
E.H. Slaybaugh Elementary School	N/A	189,740	238,428	255,989	239,019	145,445	157,319	122,615	104,529	103,901	114,872
Clayton J. Davenport Elementary School	N/A	192,924	158,007	254,016	191,699	134,376	116,088	138,505	90,456	101,354	113,232
Joy D. Miller Elementary School	N/A	195,769	131,506	140,899	136,206	126,391	169,159	121,094	119,977	107,967	118,068
Fernwood Avenue Middle School	N/A	281,763	257,860	213,663	163,314	164,168	166,181	158,515	251,170	132,567	125,207
Alder Avenue Middle School	N/A	221,783	197,058	185,705	165,024	130,041	166,110	125,151	199,289	107,601	119,539
Eagle Academy	N/A	19,535	7,614	22,698	7,498	55,034	7,267	8,683	7,778		
Egg Harbor Township High School	N/A	661,450	688,397	569,112	441,207	613,447	440,310	438,310	323,047	287,826	413,320
Total School Facilities		1,974,663	1,817,821	1,923,811	1,453,120	1,433,457	1,281,202	1,189,806	1,151,953	920,891	1,095,736
Other Facilities		1,127	8,694	8,196	8,255	34,673	56,213	59,626	17,351	17,961	7,175
Grand Total		\$ 1,975,790	\$ 1,826,515	\$ 1,932,007	\$ 1,461,375	1,468,130	1,337,415	1,249,432	1,169,304	938,852	1,102,911

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT

Insurance Schedule

June 30, 2023

Unaudited

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

EGG HARBOR TOWNSHIP SCHOOL DISTRICT

Insurance Schedule

June 30, 2023

Unaudited

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

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

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Single Audit Section

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K-1

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

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

America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Egg Harbor Township School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Egg Harbor Township School District's basic financial statements, and have issued our report thereon dated January 25, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,

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

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

January 25, 2024



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2

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

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

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Egg Harbor Township School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Egg Harbor Township School District's major federal and state programs for the year ended June 30, 2023. The Egg Harbor Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Egg Harbor Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal & State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

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

Report on Internal Control Over Compliance

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

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

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

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

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

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

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

January 25, 2024

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

Federal Grantor/Pass-Through Grantor/ Program Title	Award Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	Balance at June 30, 2022	Carryover Amount	Cash Received	Budgetary Expenditures			Balance at June 30, 2023			
									Pass Through		Total	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor
									Source	Direct					
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund:															
Food Distribution Program	10.555	221NJ304N1099	N/A	288,993	7/1/21 - 6/30/22	47,198			(47,198)						
Food Distribution Program	10.555	231NJ304N1099	N/A	359,718	7/1/22 - 6/30/23			359,718	(305,371)				54,347		
National School Breakfast Program	10.553	221NJ304N1099	N/A	820,556	7/1/21 - 6/30/22	(88,192)		88,192							
National School Breakfast Program	10.553	231NJ304N1099	N/A	443,794	7/1/22 - 6/30/23			401,470	(443,794)				(42,324)		
National School Lunch Program	10.555	221NJ304N1099	N/A	3,528,250	7/1/21 - 6/30/22	(367,436)		367,436							
National School Lunch Program	10.555	231NJ304N1099	N/A	1,938,526	7/1/22 - 6/30/23			1,774,612	(1,938,526)				(163,914)		
COVID-19 Supply Chain Assistance	10.555	221NJ304N1099	N/A	145,951	7/1/21 - 6/30/22	(145,951)		145,951							
COVID-19 Supply Chain Assistance	10.555	231NJ304N1099	N/A	195,338	7/1/22 - 6/30/23			195,338	(195,338)						
Total Child Nutrition Cluster						(654,381)		3,332,717	(2,930,227)				(206,238)	54,347	
Total U.S. Department of Agriculture						(654,381)		3,332,717	(2,930,227)				(206,238)	54,347	
U.S. Department of Health and Human Services															
Passed-through State Department of Health and Human Services:															
General Fund:															
Medical Assistance Program	93.778	2005NJ5MAP	N/A	351,013	7/1/22 - 6/30/23			351,013							
Medical Assistance Program	93.778	2005NJ5MAP	N/A	293,444	7/1/21-6/30/22	(74,302)		74,302	(351,013)						
Total General Fund						(74,302)		425,315	(351,013)						
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
Title I, Part A	84.010	S010A210030	ESSA-1310-21	1,394,212	7/1/21 - 9/30/22	(682,455)		682,455							
Title I, Part A	84.010	S010A220030	ESSA-1310-22	1,895,018	7/1/22 - 9/30/23			506,742	(812,784)				(306,042)		
Title I, S/A	84.010	S010A210031	ESSA-1310-21	10,000	7/1/21 - 9/30/22								(37,690)		
Title I, S/A	84.010	S010A220031	ESSA-1310-23	44,700	7/1/22 - 9/30/23	(682,455)		7,010	(44,700)				(343,732)		
Total ESSA, Title I, Part A						(882,455)		1,196,207	(857,484)						
Title II, Part A	84.367A	S367A210029	ESSA-1310-21	289,106	7/1/21 - 9/30/22	(39,555)		39,555							
Title II, Part A	84.367A	S367A220029	ESSA-1310-22	348,216	7/1/22 - 9/30/23	(39,555)		174,270	(228,180)				(53,910)		
Total ESSA, Title II, Part A, Innovative Programs						(79,110)		213,825	(228,180)				(53,910)		
Title III, English Language Enhancement	84.365A	S365A210030	ESSA-1310-21	39,315	7/1/21 - 9/30/22	(17,067)		17,067							
Title III, English Language Enhancement	84.365A	S365A220030	ESSA-1310-22	40,018	7/1/22 - 9/30/23			27,868	(38,182)				(10,314)		
Title III, Immigrant	84.365	S365A210030	ESSA-1310-21	26,343	7/1/21 - 9/30/22	(16,723)		16,723					(4,856)		
Title III, Immigrant	84.365	S365A220030	ESSA-1310-22	5,160	7/1/22 - 9/30/23	(33,790)		61,871	(43,251)				(15,170)		
Total ESSA, Title III						(68,675)		106,529	(96,417)				(20,140)		
I.D.E.A. Part B - Basic	84.027A	H027A210100	IDEA2021	1,853,458	7/1/21 - 9/30/22	(255,925)		255,925							
I.D.E.A. Part B - Basic	84.027A	H027A220100	IDEA2022	1,990,924	7/1/22 - 9/30/23			1,641,627	(1,808,598)				(166,971)		
ARP IDEA Basic	84.027X	H027X210100	IDEA2021	388,922	7/1/21 - 9/30/23	(77,427)		252,032	(273,286)				(98,661)		
I.D.E.A. Part B - Preschool	84.173	H173A200114	IDEA2021	125,221	7/1/21 - 9/30/22	(94,221)		94,221							
I.D.E.A. Part B - Preschool	84.173	H173A210114	IDEA2023	84,694	7/1/22 - 9/30/23			30,083	(66,368)				(36,285)		
ARP IDEA Preschool	84.173X	H173X210114	IDEA2021	33,055	7/1/21 - 9/30/22	(427,573)		23,100	(30,130)				(7,030)		
Total IDEA Part B						(427,573)		2,296,988	(2,178,382)				(308,967)		
Carl Perkins Vocational PL #101-392	84.048	V048A210030	PERK012021	43,799	7/1/21 - 6/30/22	(2,890)		2,890							
Carl Perkins Vocational PL #101-392	84.048	V048A220030	PERK012022	49,403	7/1/22 - 6/30/23			36,862	(49,403)				(12,541)		
Total Carl Perkins Vocational PL #101-392						(2,890)		39,752	(49,403)				(12,541)		
CTE Teacher Pathway Initiative Grant	84.051	V051D170008	N/A	17,500	9/1/20 - 9/30/22	(6,999)		6,999							
21st Century Community Learning Centers	84.287	S287C210030	N/A	739,286	9/1/21 - 8/31/22	(126,051)		126,051							
21st Century Community Learning Centers	84.287	S287C220030	N/A	158,603	9/1/22 - 8/31/23			39,139	(76,611)				(37,472)		
Total 21st Century Community Learning Centers						(126,051)		165,190	(76,611)				(37,472)		

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

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

Federal Grantor/Pass-Through Grantor/ Program Title	Award Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	Balance at June 30, 2022	Carryover Amount	Cash Received	Budgetary Expenditures			Balance at June 30, 2023					
									Pass Through	Source	Direct	Total	(MEMO) Pass Through to Sub-Recipients	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue
CARES Emergency Relief Grant	84.425D	S425D200027	N/A	1,142,521	3/13/20 - 9/30/23	(2,741)	-	2,741	-	-	-	-	-	-	-	-	-
CRRSA - Elementary and Secondary School Emergency Relief Fund	84.425D	S425D200027	N/A	4,247,076	3/13/20 - 9/30/23	(2,067,618)	-	2,066,618	-	-	-	-	-	(1,000)	-	-	-
CRRSA - Accelerated Learning	84.425D	S425D200027	N/A	272,555	3/13/20 - 9/30/23	(73,630)	-	73,630	-	-	-	-	-	-	-	-	-
CRRSA - Mental Health	84.425D	S425D200027	N/A	45,000	3/13/20 - 9/30/23	(45,000)	-	45,000	-	-	-	-	-	-	-	-	-
ARP - Elementary and Secondary School Emergency Relief Fund	84.425U	S425U210027	N/A	9,545,029	3/13/20 - 9/30/24	(2,531,140)	-	4,029,726	(3,665,335)	(3,665,335)	(3,665,335)	-	(2,166,749)	-	-	-	-
ARP - Accelerated Learning	84.425U	S425U210027	N/A	703,963	3/13/20 - 9/30/24	(13,521)	-	65,629	(183,190)	(183,190)	(183,190)	-	(131,082)	-	-	-	-
ARP - Evidence Based Summer Enrichment	84.425U	S425U210027	N/A	47,985	3/13/20 - 9/30/24	(12,083)	-	12,083	(1,956)	(1,956)	(1,956)	-	(1,956)	-	-	-	-
ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027	N/A	88,501	3/13/20 - 9/30/24	(26,166)	-	26,166	-	-	-	-	-	-	-	-	-
ARP - Homeless Children	84.425W	S425W210031	N/A	63,647	4/23/21 - 9/30/23	(4,772,299)	-	60,000	(63,647)	(63,647)	(63,647)	-	(3,647)	-	-	-	-
Total CARES Emergency Relief Cluster						(6,091,612)	-	6,381,993	(3,914,128)	(3,914,128)	(3,914,128)	-	(2,304,434)	-	-	-	-
Total Special Revenue Fund						(6,091,612)	-	10,362,825	(7,347,439)	(7,347,439)	(7,347,439)	-	(3,076,226)	-	-	-	-
Total Federal Financial Awards						(6,720,295)	-	14,120,857	(10,628,679)	(10,628,679)	(10,628,679)	-	(3,282,464)	-	54,347	-	-

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

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

Federal Grantor/Pass-Through Grantor/ Program Title	Grant or State Project Number	Award Amount	Grant Period	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Transfer/ Adjustment	Repayment of Prior Year's Balances	Balance at June 30, 2023		Cumulative Total Expenditures
				Deferred Revenue (Accts Receivable)	Due to Grantor					Deferred Revenue/ Interfund Payable	Due to Grantor	
State Department of Education												
General Fund:												
Equalization Aid	23-495-034-5120-078	\$ 60,910,999	7/1/22-6/30/23	-	-	60,910,999	(60,910,999)	-	-	-	-	60,910,999
Categorical Special Education Aid	23-495-034-5120-089	4,443,028	7/1/22-6/30/23	-	-	4,443,028	(4,443,028)	-	-	-	-	4,443,028
Security Aid	23-495-034-5120-084	1,547,671	7/1/22-6/30/23	-	-	1,547,671	(1,547,671)	-	-	-	-	1,547,671
Total State Aid Public Cluster				-	-	66,901,698	(66,901,698)	-	-	-	-	66,901,698
Categorical Transportation Aid	23-495-034-5120-014	3,273,116	7/1/22-6/30/23	-	-	3,273,116	(3,273,116)	-	-	-	-	3,273,116
Extraordinary Special Education Aid	22-495-034-5120-044	2,201,661	7/1/21-6/30/22	(2,201,661)	-	2,201,661	-	-	-	-	-	2,201,661
Extraordinary Special Education Aid	23-495-034-5120-044	2,280,573	7/1/22-6/30/23	(115,636)	-	115,636	(2,280,573)	-	-	-	-	2,280,573
Nonpublic School Transportation Aid	N/A	115,636	7/1/21-6/30/22	(115,636)	-	115,636	-	-	-	-	-	115,636
Nonpublic School Transportation Aid	N/A	192,284	7/1/22-6/30/23	(192,284)	-	192,284	-	-	-	-	-	192,284
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	4,619,941	7/1/21-6/30/22	(226,221)	-	226,221	-	-	-	-	-	4,619,941
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	4,899,666	7/1/22-6/30/23	(226,221)	-	4,673,445	(4,899,666)	-	-	-	-	4,899,666
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	21,897,117	7/1/22-6/30/23	-	-	21,897,117	(21,897,117)	-	-	-	-	21,897,117
On-Behalf TPAF Post Retirement Medical	23-495-034-5094-001	5,752,320	7/1/22-6/30/23	-	-	5,752,320	(5,752,320)	-	-	-	-	5,752,320
On-Behalf TPAF LTD Insurance	23-495-034-5094-004	6,669	7/1/22-6/30/23	-	-	6,669	(6,669)	-	-	-	-	6,669
Total General Fund				(2,543,518)	-	105,029,085	(105,203,443)	-	-	(2,717,876)	-	112,140,681
Special Revenue Fund:												
Preschool Education Aid	22-495-034-5120-086	3,818,568	7/1/21-6/30/22	234,910	(234,910)	6,181,358	(5,249,234)	-	-	1,167,034	-	3,583,668
Preschool Education Aid	23-495-034-5120-086	6,181,358	7/1/22-6/30/23	-	-	70,221	(22,623)	-	-	-	-	5,249,234
Pre-Apprenticeship in Career Education (PACE)	21-100-062-4545-384	300,000	6/1/21-11/30/22	(47,598)	-	70,221	(11,447)	-	-	-	-	223,692
Pre-Apprenticeship in Career Education (PACE)	22-100-062-4545-384	576,158	3/1/23-8/31/24	-	-	182,697	(182,697)	-	-	-	-	11,447
SDA Emergent Needs	n/a	6,660	7/1/22-6/30/23	-	-	6,450	(6,660)	-	-	(210)	-	182,697
Climate Awareness Education	n/a	250,000	4/1/23-8/31/23	-	-	-	(111,024)	-	-	(111,024)	-	6,660
New Jersey Nonpublic Aid:												
Textbook Aid	22-100-034-5120-064	27,789	7/1/21-6/30/22	368	-	38,336	(38,510)	(368)	-	-	-	27,421
Textbook Aid	23-100-034-5120-064	39,336	7/1/22-6/30/23	-	-	88,850	(87,073)	-	826	1,777	-	38,510
Auxiliary Services:												
Compensatory Education	23-100-034-5120-067	88,850	7/1/22-6/30/23	-	-	88,850	(3,092)	-	-	-	-	87,073
Home Instruction	23-100-034-5120-067	3,092	7/1/22-6/30/23	-	-	-	(3,092)	-	-	-	-	3,092
Handicapped Services:												
Examination and Classification	22-100-034-5120-066	41,902	7/1/21-6/30/22	2,500	-	63,508	(62,261)	(2,500)	-	-	-	39,402
Examination and Classification	23-100-034-5120-066	63,508	7/1/22-6/30/23	-	-	16,833	(16,833)	-	1,247	-	-	62,261
Corrective Speech	23-100-034-5120-066	16,833	7/1/22-6/30/23	-	-	16,833	(16,833)	-	-	-	-	16,833
Supplemental Instruction	22-100-034-5120-066	28,910	7/1/21-6/30/22	5,436	-	33,866	(33,866)	(5,436)	-	-	-	23,474
Supplemental Instruction	23-100-034-5120-066	33,866	7/1/22-6/30/23	-	-	33,866	(33,866)	-	-	-	-	33,866
Nursing	22-100-034-5120-070	52,752	7/1/22-6/30/22	6,037	-	66,976	(61,257)	(6,037)	-	-	-	46,715
Nursing	23-100-034-5120-070	66,976	7/1/22-6/30/23	-	-	24,990	(24,647)	-	5,719	-	-	61,257
Technology	23-100-034-5120-373	19,446	7/1/21-6/30/22	126	-	24,990	(24,647)	(126)	-	343	-	19,320
Technology	23-100-034-5120-373	24,990	7/1/22-6/30/23	-	-	122,590	(115,013)	-	-	-	-	24,647
Security	22-100-034-5120-509	82,425	7/1/21-6/30/22	9,353	-	283,861	(361,137)	(77,276)	-	-	-	73,072
Security	23-100-034-5120-509	122,590	7/1/22-6/30/23	-	-	26,925	(26,925)	-	-	-	-	115,013
Total State Financial Assistance				\$ (2,364,662)	\$ 23,820	115,594,768	(114,975,748)	-	(23,820)	(2,830,165)	17,489	126,019,712
Less: On-Behalf TPAF Pension Contributions (21,897,117)												
Less: On-Behalf TPAF Post Retirement Medical (5,752,320)												
Less: On-Behalf TPAF LTD Insurance (6,669)												
<u>(87,319,642)</u>												
State Department of Labor												
Youth Transitions to Work Program	n/a	424,422	6/30/22-12/31/23	-	-	283,861	(361,137)	(77,276)	-	-	-	361,137
Hiring and Retention Bonus Grant	n/a	26,925	11/1/22-1/31/23	-	-	26,925	(26,925)	-	-	-	-	26,925
Total Special Revenue Fund				187,312	23,820	7,208,461	(6,414,299)	(203,049)	(23,820)	1,167,034	17,489	10,428,430
Debt Service Fund:												
Debt Service Aid Type II	23-495-034-5120-075	3,252,312	7/1/22-6/30/23	-	-	3,252,312	(3,252,312)	-	-	-	-	3,252,312
Total Debt Service Fund				-	-	3,252,312	(3,252,312)	-	-	-	-	3,252,312
State Department of Agriculture												
Enterprise Fund:												
State School Breakfast Program	23-100-010-3350-023	30,077	7/1/22-6/30/23	(8,456)	-	27,219	(30,077)	-	-	(2,858)	-	30,077
State School Lunch Program	23-100-010-3350-023	92,595	7/1/21-6/30/22	-	-	69,235	(75,617)	-	-	(6,382)	-	92,595
State School Lunch Program	23-100-010-3350-023	75,617	7/1/22-6/30/23	-	-	104,910	(105,694)	-	-	(9,240)	-	75,617
Total State Financial Assistance				\$ (8,456)	\$ 23,820	115,594,768	(114,975,748)	-	(23,820)	(2,830,165)	17,489	126,019,712

Egg Harbor Township Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2023

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from budgetary basis to GAAP basis is (\$983,899) for the general fund and \$52,278 for the special revenue fund. See the following schedule for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

Egg Harbor Township Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2023

	<u>General fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
State Assistance:					
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 105,203,443	6,414,299	3,252,312	105,694	114,975,748
Difference – budget to "GAAP"					
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	5,767,460	381,857			6,149,317
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(6,751,359)	(618,136)			(7,369,495)
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		265,677			265,677
Total State revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 104,219,544</u>	<u>6,443,697</u>	<u>3,252,312</u>	<u>105,694</u>	<u>114,021,247</u>

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
Federal Assistance:				
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Federal Awards	\$ 351,013	7,347,439	2,930,227	10,628,679
Difference - budget to "GAAP"				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	22,880		22,880
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balances	<u>\$ 351,013</u>	<u>7,370,319</u>	<u>2,930,227</u>	<u>10,651,559</u>

Egg Harbor Township Board of Education
Notes to the Schedules of Financial Assistance
June 30, 2023

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

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. The amounts reported as TPAF Pension Contributions and OPEB – GASB 75 represent the amount paid by the State on behalf of the district for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023**

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Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	An Unmodified Opinion was issued on the Basic Financial Statements, dated January 25, 2024
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs, dated January 25, 2024
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?	No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act
84.425D	ESSER II
84.425D	Learning Acceleration
84.425D	Mental Health
84.425U	ARP- ESSER
84.425U	ARP- Accelerated Learning Coach
84.425U	ARP – Evidence Based Summer
84.425U	ARP- NJTSS Mental Health
84.425W	ARP - Homeless Children
84.010	Title I Grants to Local Ed. Agencies

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023
(CONTINUED)**

K-6

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

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

Auditee qualified as low-risk auditee? Yes

State Awards

Dollar threshold used to distinguish between type A and Type B Programs: \$2,619,589

Auditee qualified as low-risk auditee? Yes

Type of auditor’s report issued on compliance for major programs: An Unmodified Opinion was issued on compliance for major programs, dated January 25, 2024

Internal Control over major programs:

1) Material weakness identified? No

2) Significant deficiencies identified? None reported

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

Identification of major programs:

GMIS Number(s)

Name of State Program

23-495-034-5120-089
23-495-034-5120-078
23-495-034-5120-084

State Aid Public Cluster
Special Education Aid
Equalization Aid
Security Aid

Section II - Financial Statement Findings

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

**EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING JUNE 30, 2023
(CONTINUED)**

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

FEDERAL AWARDS

Our audit disclosed no matters to be reported.

STATE AWARDS

Our audit disclosed no matters to be reported.

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STATUS OF PRIOR YEAR FINDINGS

Federal:

No matters were reported.

State:

No matters were reports.