

SCHOOL DISTRICT
OF
TOWNSHIP OF MAURICE RIVER

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Township of Maurice River Board of Education

Port Elizabeth, New Jersey

or the Fiscal Year Ended June 30, 2023

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Township of Maurice River Board of Education

Port Elizabeth, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

Maurice River Township Board of Education

Finance Department

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OF THE MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION



MAURICE RIVER TOWNSHIP SCHOOL DISTRICT

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December 5, 2023

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

Dear Board Members:

The Annual Comprehensive Financial Report of the Maurice River Township Public School 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. REPORTING ENTITY AND ITS SERVICES:

The Maurice River Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds of the District are included in this report. The Maurice River Township Board of Education and its school constitute the District's reporting entity.

The District is limited in its ability to fund a full range of educational services appropriate to grade levels PK through 8. These limitations in programs and services apply to both regular as well as special education for handicapped children. The District completed the 2022-2023 fiscal year with a June enrollment of 390 students, which is a decrease from the previous year. The following details the changes in the student enrollment of the district over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>	<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-23	390.0	(1.27)%	2017-18	398.0	(4.10)%
2021-22	395.0	0.51%	2016-17	415.0	1.71%
2020-21	393.0	(6.43)%	2015-16	408.0	(3.77)%
2019-20	420.0	2.94%	2014-15	424.0	.24%
2018-19	408.0	1.26%	2013-14	423.0	(2.34)%

2. ECONOMIC CONDITION AND OUTLOOK:

Maurice River Township is not experiencing any measurable growth in development or expansion. There are no large businesses located in the Township, but the small industry stores, restaurants, and antique stores continue to thrive. There is some potential for growth at the major intersections drawing traffic to the shore areas. The Township is seeking clean industry in harmony with the environmentally sensitive areas. It is significant to note that the Township is approximately 95 square miles, with about 50% of the land either state-owned or state-managed. This helps promote the appeal for water related activities, conservation activities with the bay area and pristine river ecosystem, and preserves the ruralness and provinciality unique to the Township. There are three prison sites located in the Township, which provide major employment for local residents. A state prison in nearby Fairfield Township provides employment opportunities at that site. The net valuation taxable of Maurice River Township for 2023 is \$292,039,381, which is less than the prior year by \$78,299.

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

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

3. MAJOR INITIATIVES:

Maurice River Township School District prepares all students for success at the high school level. Technology, Professional Staff Development, and Inter-district Collaboration play a major role in this initiative. Technology plays an increasingly important role in the curriculum, with the use of Promethean Boards for grades PK-8, and professional development training for all teachers; 1:1 chromebooks at the elementary and middle school grade levels; a wireless network, and IPAD and IPOD Programs. Students conduct research through controlled access to the Internet, enhancing research and writing skills. New this year is the addition of an E-sports gaming center for our middle school students. The state of the art technology for the gaming room was purchased with ESSER funds.

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

The school district now implements "The Danielson Teaching Evaluation Method", a web-based teacher evaluation program required by the State of New Jersey; as well as the Aims web student assessment program in combination with the "RTI" program for struggling students. Several math and language arts software programs are used to supplement classroom curriculum. The District is continually updating its curriculum and purchases new textbooks with online support as is appropriate.

The Board of Education has succeeded in allocating resources to positively improve student achievement by focusing upon improvements in the delivery of instruction, professional development programs, and providing the most current instructional materials, technology and other resources for its teachers. The district has also begun to move in the direction of facility improvement to maintain the functionality of its current facility. With maintenance reserve monies, the district continued to re-tile classrooms and abate asbestos in the school building. Roof repair continues each year to negate leaks throughout the building. The exterior lighting around the school building was upgraded to LED. The district also renovated its tennis and basketball courts, greatly improving their functionality. The district also re-paved a portion of its parking lot and installed new parking lot lighting.

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

The district also provides adequate medical and student services, including guidance and counseling programs for at-risk, special education and Title I students. New mental health programs were implemented for staff, students and parents to cope with the effects of Covid. These programs were funded with ESSER funds. Special education services are provided through self-contained settings and in class support. Additional teachers were hired with ESSER funds to attempt to close the learning gap created with virtual learning through tutoring and lowering class size. This strategy was successful as our district had the highest testing growth in Cumberland County. The district has trained two staff members in the FAST hands-on science program, for grades five through eight. Grades K-4 use a hands-on program. Peer mediation and conflict resolution are taught through leadership training activities in an on-going manner throughout the school year.

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

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

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

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

5. BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Year-end open encumbrances are either cancelled or included as reappropriations of fund balance in the subsequent year and are reported as reservations of fund balance at June 30, 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. These funds are explained in "Notes to the Financial Statements," Note 2.

7. DEBT ADMINISTRATION:

On January 1, 1998 the District incurred bond indebtedness for \$1,950,000 for a facility project to be amortized over the next 15 years. There was a Refunding of Bonds on January 1, 2007. The balance in bonds payable at June 30, 2023 is \$0, as our debt was paid off during the prior year under audit. The amount of unvoted debt available is \$8,966,736, as shown on Exhibit J-13.

8. RISK MANAGEMENT:

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

9. CASH MANAGEMENT:

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

10. OTHER INFORMATION:

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

11. ACKNOWLEDGMENTS:

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

Respectfully submitted,

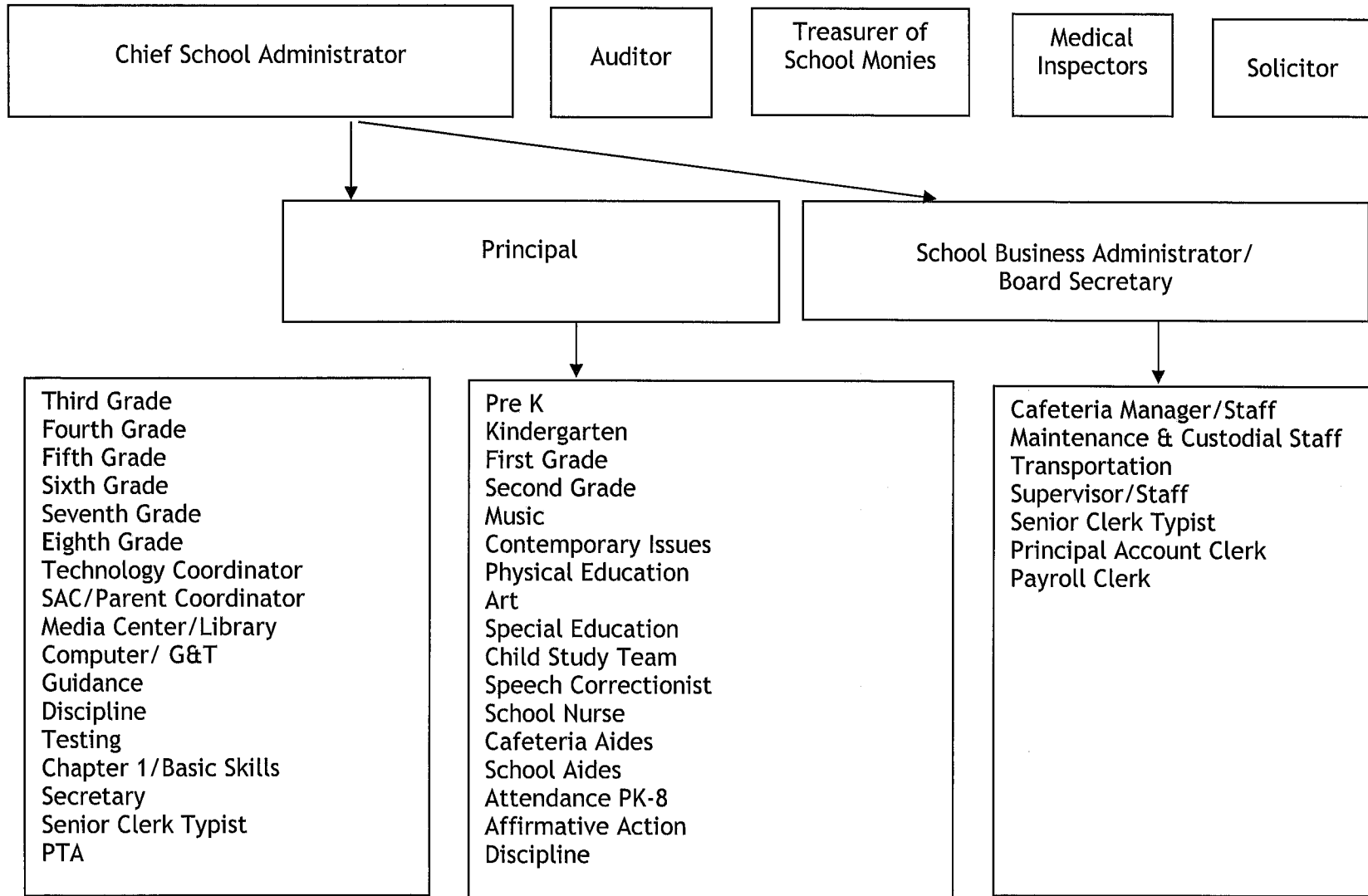
Dr. Jeremy Cohen

Dr. Jeremy Cohen, Superintendent of Schools

Patricia Powell

Patricia Powell, School Business Administrator/Board Secretary

Township of Maurice River School District
Organizational Chart



TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
PORT ELIZABETH, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2023

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Stephen Kudia, President	2024
Danna Phillips, Vice President	2024
John Campbell	2024
Robert Chard	2026
Ashley Hughes	2026
Brian McEwing	2025
Sherri Welch	2025

OTHER OFFICIALS

Dr. Jeremy Cohen, Chief School Administrator

Patricia A. Powell, School Business Administrator/Board Secretary

Laurie Leib, Custodian of School Monies - To February 24, 2023

Joann Sbrana, Custodian of School Monies - From May 17, 2023

Comegno Law Group, Solicitor

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
CONSULTANTS AND ADVISORS

AUDIT FIRM

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

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Branch Offices in Millville, NJ 08332

INSURANCE AGENT

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FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey'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 Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey, 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental 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 Board of Education of the Maurice River Township School District in the County of Cumberland, State of New Jersey's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report, as required by the Office of School Finance, Department of Education, State of New Jersey. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023 on our consideration of the Maurice River Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Maurice River Township Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Maurice River Township School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
December 5, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

UNAUDITED

The discussion and analysis of Maurice River Township Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 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 notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- ❖ General revenues accounted for \$8,004,921 in revenue or 70.9% percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$3,292,969 or 29.1% percent to total revenues of \$11,297,890.
- ❖ Total net position of governmental activities increased by a net amount of \$2,549 in various asset areas.
- ❖ The School District had \$11,322,010 in expenses, of which \$3,292,969 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes and Federal and State Aid not restricted) were adequate to provide for these programs.
- ❖ The General Governmental Fund had \$10,001,462 in revenues, \$10,100,821 in expenditures and \$12,000 in transfers to the Food Service Fund. The General Fund's balance decreased by \$111,359 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 Maurice River Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Maurice River Township School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2023?” The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District’s property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ❖ **Governmental Activities** - All of the School District’s programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ❖ **Business-type Activities** - This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

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

Enterprise Fund

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

The School District as a Whole Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities Table 1 provides a summary of the School District's net position for the years ended in 2023 and 2022.

Table 1
Net Position

	2023	2022
Assets		
Current and Other Assets	\$ 2,431,255	\$ 2,397,909
Capital Assets, Net	2,523,574	2,571,132
Total Assets	4,954,829	4,969,041
Deferred Outflows of Resources		
Deferred Pension Outflows	347,565	188,821
Liabilities		
Long-term Liabilities	1,273,114	905,234
Other Liabilities	381,306	179,441
Total Liabilities	1,654,420	1,084,675
Deferred Outflows of Resources		
Deferred Pension Inflows	287,980	689,073
Net Position		
Invested in Capital Assets, Net of Debt	2,520,301	2,566,265
Restricted	1,211,461	1,369,072
Unrestricted (Deficit)	(371,768)	(551,223)
Total Net Position	\$ 3,359,994	\$ 3,384,114

Table 2 shows the changes in net position from fiscal year's 2023 and 2022.

Table 2
Changes in Net Position

	2023	2022
Revenues		
Programs Revenues		
Charges for Services	\$ 82,596	\$ 27,241
Operating Grants and Contributions	3,210,373	3,248,067
General Revenues		
Property Taxes	3,209,948	3,221,798
Grants and Entitlements	4,606,201	5,099,158
Other	188,772	79,830
Total Revenues	11,297,890	11,676,094
Program Expenses		
Instruction	2,958,822	2,935,812
Support Services		
Tuition	2,530,971	2,389,331
Pupils and Instructional Staff	1,131,553	987,417
General Administration, School		
Administration, Business	604,160	572,684
Operations and Maintenance of		
Facilities	1,257,503	739,855
Pupil Transportation	401,572	449,899
Employee Benefits	1,985,418	2,300,116
Interest on Debt		2,887
Food Service	291,078	290,946
Other	160,933	141,034
Total Expenses	11,322,010	10,809,981
Increase in Net Position	\$ (24,120)	\$ 866,113

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. The District’s total net revenues from governmental activities were \$7,992,921 for the fiscal year ended June 30, 2023 and property taxes made up 40.2% percent of revenues for governmental activities for the Maurice River Township School District for fiscal year 2023. Federal, state and local grants accounted for another 57.6%. Miscellaneous revenues made up the remaining 2.2%. The net cost of all Governmental Activity programs and services was \$7,990,372. Instruction of \$2,003,095 comprises 25.1% of these expenses.

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

Table 3

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Instruction	\$ 2,958,822	\$ 2,003,095	\$ 2,935,812	\$ 2,025,533
Support Services				
Tuition	2,530,971	2,530,971	2,389,331	2,389,331
Pupils and Instructional Staff	1,131,553	647,083	987,417	500,649
General Administration, School				
Administration, Business	604,160	604,160	572,684	572,684
Operation and Maintenance of Facilities	1,257,503	1,257,503	739,855	739,855
Pupil Transportation	401,572	401,572	449,899	449,899
Employee Benefits	1,985,418	385,055	2,300,116	792,344
Interest and Fiscal Charges			2,887	2,887
Other	160,933	160,933	141,034	141,034
Total Expenses	<u>\$ 11,030,932</u>	<u>\$ 7,990,372</u>	<u>\$ 10,519,035</u>	<u>\$ 7,614,216</u>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

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

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

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

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

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

Other includes unallocated depreciation and amortization.

Business-Type Activities

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

- ❖ Food service expenses of \$291,078 exceeded revenues by \$38,669. There was also a \$12,000 transfer of funds, which resulted in a net decrease in the ending balance of net position of \$26,669.
- ❖ Charges for services represent \$82,596 of revenue. This represents the total amount paid by patrons for daily food services.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$169,813.

The School District’s Funds

Information about the School District’s major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$11,668,796 and expenditures of \$11,777,536. The net positive/negative change in fund balance was \$1,255,105. The School District is, therefore, able to meet current operating costs with no urgent need for additional funds. Availability of surplus funds in the future will be an important factor in budgeting.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2023, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 4

Revenue	Amount	Percent of Total	Increase/ (Decrease) from 2022	Percent Increase/ (Decrease)
Local Sources	\$ 3,398,720	29.1%	\$ 97,005	3.0%
State Sources	7,419,371	63.6%	289,256	4.3%
Federal Sources	850,705	7.3%	(151,085)	-36.6%
Total	\$ 11,668,796	100.0%	\$ 235,176	2.3%

The increase in Local Sources is attributed to increases in transportation charges of \$849, interest earnings of \$10,430 and \$97,576 in miscellaneous, offset by a decrease in local tax levy of \$11,850.

The increase in State Sources is attributed to increases in general fund state aid of \$229,879 and in special projects grants of \$130,362, offset by a decrease in debt service of \$70,985.

The decrease in Federal Sources is attributed to various net decreases in special revenue awards of \$151,085.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2023.

Table 5

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$ 2,958,822	25.1%	\$ 23,010	0.9%
Undistributed Expenditures	8,726,593	74.1%	886,930	12.0%
Capital Outlay	92,121	0.8%	(132,387)	-292.9%
Debt Service:				
Principal			(140,000)	-96.6%
Interest			(5,775)	-49.1%
Total	<u>\$ 11,777,536</u>	<u>100.0%</u>	<u>\$ 631,778</u>	<u>6.2%</u>

The increase in instruction is attributed to increases in special education costs of \$74,316, and other special instruction costs of \$35,030, offset by decrease in regular instruction \$86,336.

The increase in Undistributed Expenditures is attributed to tuition of \$141,640, student related services of \$144,136, general administrative services of \$4,304, school administrative expenses of \$14,748, central services of \$12,424, plant operations of \$498,102 and employee benefits of \$119,903, offset by a decrease in pupil transportation of \$48,327.

The decrease in Capital Outlay expenditures is attributed to a decrease in expenditures for various equipment of \$132,387.

The decrease in Debt Service of \$145,775 is attributed to a reduction in interest and principal payments on the bond issue.

General Fund Budgeting Highlights

The School District’s Budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2023, the School District amended its General Fund budget as needed. The School District uses program based budgeting, which is designed to tightly control total program budgets but provide flexibility for program management.

- ❖ Staffing changes based on student needs.
- ❖ Additional costs for student transportation both in regular education and special education.
- ❖ Accounting changes in maintenance and operations
- ❖ Changes in appropriations to prevent budget overruns.

While the District’s final budget for the General Fund anticipated that revenues, along with surplus anticipated of \$888,070, would approximately equal expenditures, the actual results for the year shows a \$106,284 decrease in revenue over expenditures, as shown on Exhibit C-1.

- ❖ Actual revenues were \$262,692 more than expected, excluding contributions for On-Behalf Pension and Social Security State Aid of \$1,363,845. This was due to more state aid of \$226,612 and by additional miscellaneous revenue of \$95,165. The result is the positive variance, as shown on Exhibit C-1.
- ❖ The actual expenditures were \$1,744,832 lower than expected, offset by the state On-Behalf Pension and Social Security aid of \$1,363,845, resulting in the reported favorable variance of \$118,295 as shown on Exhibit C-1.

Capital Assets

At June 30, 2023, the School District had \$2,521,980 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2023 balances compared to 2022.

Table 6
Capital Assets (Net of Depreciation) at June 30

	2023	2022	
Land	\$ 62,441	\$ 62,441	
Work In Progress			
Land Improvements	51,341	55,138	
Building and Improvements	1,854,239	1,898,189	
Equipment	555,553	555,364	
Totals	\$ 2,523,574	\$ 2,571,132	

Overall capital assets decreased \$47,558 in fiscal year 2023. There were net additions of \$120,347, offset by depreciation expense and a Right-to-Use Lease adjustment of \$167,905.

Debt Administration

At June 30, 2023, the School District had \$1,274,755 as outstanding debt. Of this amount, \$41,695 is for compensated absences, net pension liability is \$1,224,306 and the balance of \$3,273 for Right-to-Use Lease debt, along with \$5,481 in compensated absences in the Food Service Fund.

At June 30, 2023, the School District's overall legal debt margin was \$8,966,736 which is fully unvoted.

For the Future

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

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

Contacting the School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

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

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

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,889,741	\$ 29,644	\$ 1,919,385
Receivables, Net	479,127	27,913	507,040
Inventory		4,830	4,830
Capital Assets, Net (Note 6):	2,450,356	73,218	2,523,574
Total Assets	<u>4,819,224</u>	<u>135,605</u>	<u>4,954,829</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Pension Outflows	<u>347,565</u>		<u>347,565</u>
LIABILITIES			
Accounts Payable	295,508		295,508
Unearned Revenue	79,646	4,511	84,157
Non-current Liabilities (Note 7):			
Due Within One Year	1,641		1,641
Due Beyond One Year	1,267,633	5,481	1,273,114
Total Liabilities	<u>1,644,428</u>	<u>9,992</u>	<u>1,654,420</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Pension Inflows	<u>287,980</u>		<u>287,980</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	2,447,083	73,218	2,520,301
Restricted For:			
Capital Reserve	143,453		143,453
Maintenance Reserve	355,292		355,292
Emergency Reserve	147,427		147,427
Tuition Reserve	261,385		261,385
Unemployment Compensation	259,965		259,965
Student Activities	43,939		43,939
Excess Surplus			
Unrestricted (Deficit)	(424,163)	52,395	(371,768)
Total Net Position	<u>\$ 3,234,381</u>	<u>\$ 125,613</u>	<u>\$ 3,359,994</u>

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities:						
Instruction:						
Regular	\$ 2,449,396		\$ 955,727	\$ (1,493,669)		\$ (1,493,669)
Special Education	456,284			(456,284)		(456,284)
Other Special Instruction	53,142			(53,142)		(53,142)
Support Services:						
Tuition	2,530,971			(2,530,971)		(2,530,971)
Student & Instruction Related Services	1,131,553		484,470	(647,083)		(647,083)
General and Business Administrative Services	194,330			(194,330)		(194,330)
School Administrative Services	152,803			(152,803)		(152,803)
Central Services	257,027			(257,027)		(257,027)
Plant Operations and Maintenance	1,259,097			(1,259,097)		(1,259,097)
Pupil Transportation	401,572			(401,572)		(401,572)
Employee Benefits	1,985,418		1,600,363	(385,055)		(385,055)
Interest on Long-term Debt	(1,594)			1,594		1,594
Unallocated Depreciation	160,933			(160,933)		(160,933)
Total Governmental Activities	11,030,932		3,040,560	(7,990,372)		(7,990,372)
Business-type Activities:						
Food Service	291,078	82,596	169,813		(38,669)	(38,669)
Total Business-type Activities	291,078	82,596	169,813		(38,669)	(38,669)
Total Primary Government	\$ 11,322,010	\$ 82,596	\$ 3,210,373	(7,990,372)	(38,669)	(8,029,041)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				3,209,948		3,209,948
Federal and State Aid Not Restricted				4,606,201		4,606,201
Transportation Charges				20,070		20,070
Investment Earnings				10,596		10,596
Miscellaneous Income				158,106		158,106
Transfers				(12,000)	12,000	
Total General Revenues, Special Items, Extraordinary Items and Transfers				7,992,921	12,000	8,004,921
Change in Net Position				2,549	(26,669)	(24,120)
Net Position—Beginning				3,231,832	152,282	3,384,114
Net Position—Ending				\$ 3,234,381	\$ 125,613	\$ 3,359,994

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

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Restricted Cash and Cash Equivalents	\$ 861,819	\$ 130,798	\$ 992,617
Cash and Cash Equivalents	907,557		907,557
Federal Aid Receivable		136,684	136,684
State Aid Receivable	190,157		190,157
Other Accounts Receivable	152,286		152,286
Total Assets	\$ 2,111,819	\$ 267,482	\$ 2,379,301
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 30,000	\$ 223,505	\$ 253,505
Payroll Deductions Payable	42,003		42,003
Deferred Revenue		79,646	79,646
Interfunds Payable	10,433		10,433
Total Liabilities	82,436	303,151	385,587
Fund Balances:			
Restricted for:			
Excess Surplus			
Maintenance Reserve	355,292		355,292
Emergency Reserve	97,427		97,427
Tuition Reserve	153,784		153,784
Unemployment Compensation	259,965		259,965
Student Activities		43,939	43,939
Assigned:			
Year-end Encumbrances	595,481		595,481
Capital Reserve - Designated for Subsequent Year's Expenditures	143,453		143,453
Emergency Reserve - Designated for Subsequent Year's Expenditures	50,000		50,000
Tuition Reserve - Designated for Subsequent Year's Expenditures	107,601		107,601
Designated for Subsequent Year's Expenditures	319,494		319,494
Unassigned, Reported In:			
General Fund (Deficit)	(53,114)		(53,114)
Special Revenue Fund (Deficit)		(79,608)	(79,608)
Total Fund Balances	2,029,383	(35,669)	1,993,714
Total Liabilities and Fund Balances	\$ 2,111,819	\$ 267,482	\$

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,863,468 and the accumulated depreciation is \$4,413,112 (Note 6).	2,450,356
Accrued interest is not due and payable in the current period and are therefore not reported as liabilities.	
Right of Use Lease Payable are not due and payable in the current period and therefore, not reported in the Funds	(3,273)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 7).	(41,694)
Deferred Outflow of Resources - Deferred Pension Contribution.	347,565
Deferred Inflows of Resources - Pension Actuarial Gains.	(287,980)
Long Term Net Pension Liability	(1,224,307)
Net position of governmental activities	3,234,381

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local Sources:			
Local Tax Levy	\$ 3,209,948	\$	\$ 3,209,948
Transportation Charges	20,070		20,070
Interest Earned	10,596		10,596
Miscellaneous	115,659	42,447	158,106
Total - Local Sources	<u>3,356,273</u>	<u>42,447</u>	<u>3,398,720</u>
State Sources	6,645,189	774,182	7,419,371
Federal Sources		850,705	850,705
Total Revenues	<u>10,001,462</u>	<u>1,667,334</u>	<u>11,668,796</u>
EXPENDITURES			
Current:			
Regular Instruction	1,493,669	955,727	2,449,396
Special Education Instruction	456,284		456,284
Other Special Instruction	53,142		53,142
Support Services:			
Tuition	2,530,971		2,530,971
Student & Instruction Related Services	647,083	484,470	1,131,553
General Administrative Services	194,330		194,330
School Administrative Services	152,803		152,803
Central Services	257,027		257,027
Plant Operations and Maintenance	1,259,097		1,259,097
Pupil Transportation	401,572		401,572
Employee Benefits	2,562,722	236,518	2,799,240
Capital Outlay	92,121		92,121
Total Expenditures	<u>10,100,821</u>	<u>1,676,715</u>	<u>11,777,536</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(99,359)</u>	<u>(9,381)</u>	<u>(108,740)</u>
OTHER FINANCING SOURCES (USES)			
Transfer to Food Service	(12,000)		(12,000)
Total Other Financing Sources and Uses	<u>(12,000)</u>		<u>(12,000)</u>
Net Change in Fund Balances	<u>(111,359)</u>	<u>(9,381)</u>	<u>(120,740)</u>
Fund Balance, July 1 (Deficit)	2,140,742	(26,288)	2,114,454
Fund Balance, June 30 (Deficit)	<u>\$ 2,029,383</u>	<u>\$ (35,669)</u>	<u>\$ 1,993,714</u>

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (120,740)

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	\$ (160,933)	
Capital Outlays	92,121	(68,812)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

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

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

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period. 197,842

Repayment of right-to-use lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 1,594

Operating Transfer out of the Food Service Fund

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

Compensated Absences		(7,335)

Change in Net Position of Governmental Activities (A-2) \$ 2,549

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

PROPRIETARY FUNDS

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Fund Food Service</u>	<u>Totals</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 19,211	\$ 19,211
Accounts Receivable	27,913	27,913
Interfund Receivable	10,433	10,433
Inventories	4,830	4,830
Total Current Assets	62,387	62,387
Fixed Assets:		
Equipment	132,340	132,340
Accumulated Depreciation	(59,122)	(59,122)
Total Fixed Assets	73,218	73,218
Total Assets	\$ 135,605	\$ 135,605
LIABILITIES AND FUND EQUITY:		
Current Liabilities:		
Unearned Revenue	\$ 4,511	\$ 4,511
Accounts Payable		
Non-Current Liabilities:		
Compensated Absences	5,481	5,481
Total Liabilities	9,992	9,992
Net Position:		
Investment in Fixed Assets	73,218	73,218
Unrestricted	52,395	52,395
Total Net Position	125,613	125,613
Total Liabilities and Net Position	\$ 135,605	\$ 135,605

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 56,884	\$ 56,884
Daily Sales - Non-reimbursable Programs	25,712	25,712
	82,596	82,596
Total Operating Revenue:		
Operating Expenses:		
Cost of Sales - Reimbursable Programs	90,490	90,490
Cost of Sales - Non Reimbursable Programs	6,320	6,320
Salaries	135,394	135,394
Employee Benefits	34,460	34,460
Repairs & Other Expenses	8,047	8,047
General Supplies	9,395	9,395
Depreciation	6,972	6,972
	291,078	291,078
Total Operating Expenses		
Operating Income (Loss)	(208,482)	(208,482)
Non-operating Revenues (Expenses):		
State Sources:		
State School Breakfast Program	571	571
State School Lunch Program	3,485	3,485
Federal Sources:		
National School Breakfast Program	28,748	28,748
National School Lunch Program	93,049	93,049
P-EBT Administrative Cost Reimb.	653	653
Supply Chain Assistance Funding	26,160	26,160
Food Distribution Program	17,147	17,147
	169,813	169,813
Total Non-Operating Revenues (Expenses)		
Income (Loss) Before Contributions & Transfers	(38,669)	(38,669)
Operating Transfer In - General Fund	12,000	12,000
Change in Net Position	(26,669)	(26,669)
Total Net Position—Beginning	152,282	152,282
Total Net Position—Ending	\$ 125,613	\$ 125,613

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 82,596	\$ 82,596
Payments to Employees	(135,394)	(135,394)
Payments for Employee Benefits	(34,460)	(34,460)
Payments to Suppliers	(101,427)	(101,427)
	(188,685)	(188,685)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	4,056	4,056
Federal Sources	148,610	148,610
Operating Subsidies and Transfers to Other Funds	12,000	12,000
	164,666	164,666
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of Capital Assets	(28,226)	(28,226)
	(28,226)	(28,226)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and Dividends		
Net Cash Provided by (used for) Investing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents	(52,245)	(52,245)
Balances—Beginning of Year	71,456	71,456
Balances—End of Year	\$ 19,211	\$ 19,211
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Operating Income (Loss)	\$ (208,482)	\$ (208,482)
Provided by		
(used for) Operating Activities		
Food Distribution Program	17,147	17,147
Depreciation and Net Amortization	6,972	6,972
(Increase) Decrease in Accounts Receivable	6,123	6,123
(Increase) Decrease in Interfund Receivable	(9,805)	(9,805)
(Increase) Decrease in Inventory	(683)	(683)
Increase (Decrease) in Unearned Revenue	(148)	(148)
Increase (Decrease) in Compensated Absences	191	191
Increase (Decrease) in Accounts Payable		
	19,797	19,797
Net Cash Provided by (used for) Operating Activities	\$ (188,685)	\$ (188,685)

Noncash Investing, Capital, and Financing Activities:
 During the Year, the District Received \$17,246 of Food Commodities from the U.S. Department of Agriculture

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The District serves an area of approximately seventy square miles. The District currently operates one instructional building and an administrative building. The Maurice River Township School District had an approximate enrollment at June 30, 2023 of 390 students.

A. Reporting Entity:

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

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

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

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards:

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

- GASB Statement No. 96 - Subscription-Based Information Technology Arrangements was effective after June 15, 2022 and was considered by Management.
- GASB Statement No. 99 - *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Management is evaluating the potential impact of the adoption of GASB 99 on the School District's financial statements.
- GASB Statement No. 100 - *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Management is evaluating the potential impact of the adoption of GASB 100 on the School District's financial statements.
- GASB Statement No. 101 - *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the potential impact of the adoption of GASB 101 on the School District's financial statements.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

A. Basis of Presentation

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

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

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

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

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

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

B. Fund Accounting:

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

A. Basis of Presentation (CONT'D):

GOVERNMENTAL FUND TYPE

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

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

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

As a result of implementing GASB Statement No. 87, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

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

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

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

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

PROPRIETARY FUND TYPE

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

B. Fund Accounting (CONT'D)

Enterprise (Food Service) Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or non-current, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund Equipment	12 - 20 Years
-----------------------------	---------------

Internal Service Fund

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

FIDUCIARY FUND TYPE

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

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

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

C. Basis of Accounting and Measurement Focus:

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

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

D. Budgets/Budgetary Control:

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

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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

A reconciliation of the special revenue funds from the budgetary basis of accounting (as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds) to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types is shown on Exhibit C-2.

E. Encumbrance Accounting:

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

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

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

F. Tuition Receivable:

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

G. Tuition Payable:

Tuition charges for the fiscal years 2022-2023, 2021-2022, and 2020-2021 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

H. Inventories and Prepaid Expenses:

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

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

I. Short -Term Interfund Receivables/Payables:

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

J. Assets, Liabilities and Equity:

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

Inventories

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

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

Capital Assets

General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2022 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the general fixed assets. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Assets in general fixed assets are not depreciated.

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

<u>Assets</u>	<u>Years</u>
<i>Buildings</i>	50
<i>Building improvements & portable classroom</i>	20 -50
<i>Land improvements</i>	20
<i>Furniture</i>	20
<i>Maintenance equipment</i>	20
<i>Office equipment</i>	5 - 10
<i>Computer equipment</i>	5 - 10

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

K. Compensated Absences:

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

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

L. Unearned Revenue:

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

M. Operating Revenues and Expenses:

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

N. Extraordinary and Special Items:

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

O. Allocation of Indirect Expenses:

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

P. Fund Equity:

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

Q. Comparative Data/Reclassifications:

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

R. Management Estimates:

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

S. Accrued Liabilities and Long-term Obligations:

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

T. Net position

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

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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

U. Fund balances - Governmental Funds

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

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

U. Fund balances - Governmental Funds - Continued

- 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:

When an expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When 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.

V. Revenues - Exchange and Non-exchange Transactions:

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

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

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

W. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2022.

X. Tax assessments and property taxes:

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value. New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School Districts. Investments are stated at cost, or amortized cost, which approximates market.

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

Deposits:

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

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

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

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

As of June 30, 2023, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		\$	1,900,174
Checking Accounts			
NJ Cash Management Accounts			19,211
			1,919,385
Unrestricted cash			
Governmental funds, Balance Sheet	B-1	\$	1,082,091
Enterprise funds, Statement of Net Position	B-4		19,211
Restricted cash			
Governmental funds, Balance Sheet	B-1		818,083
Total cash		\$	1,919,385

Investments:

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

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

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2023, \$2,082,929 of the School District's bank balance of \$2,416,125 was uninsured and exposed to custodial credit risk.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

New Jersey Cash Management Fund

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

As of June 30, 2023, the District had \$83,196 of funds on deposit with the New Jersey Cash Management Fund.

NOTE 4. CAPITAL RESERVE ACCOUNT

Capital reserve accounts may be established by New Jersey School Districts for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. A capital reserve account is maintained in the General Fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP. The LRFP balance of local support costs of uncompleted capital projects at June 30, 2023 is \$423,728.

Of the ending balance of \$143,453, as of June 30, 2023, \$143,453 was appropriated as revenue in the 2022-2023 budget.

Beginning Balance July 1, 2022	\$ 143,453
Withdrawn	(143,453)
Added	<u>143,453</u>
Ending Balance June 30, 2023	<u><u>\$ 143,453</u></u>

NOTE 5. LITIGATION

The District is from time to time involved in claims and lawsuits incidental to its operations. Per confirmation by the District's Solicitor, as of June 30, 2023, the district was not involved in any known legal matters.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6. CAPITAL ASSETS

Capital Asset Activity for the Year Ended June 30, 2023 was as Follows:

	Beginning Balance 7/1/22	Additions	Retirements	Ending Balance 6/30/23
Governmental Activities:				
Capital Assets that are not Being Depreciated:				
Land	\$ 62,441	\$	\$	\$ 62,441
Total Capital Assets not Being Depreciated	62,441			62,441
Capital Assets Being Depreciated and Amortized				
Land Improvements	376,205			376,205
Building and Building Improvements	4,500,052	41,189		4,541,241
Machinery and Equipment	1,824,683	50,932		1,875,615
Right-to-Use Lease Assets	7,966			7,966
Totals at Historical Cost	6,708,906	92,121	-	6,801,027
Less Accumulated Depreciation and Amortization				
Land Improvements	(321,067)	(3,797)		(324,864)
Building and Improvements	(2,601,863)	(85,139)		(2,687,002)
Equipment	(1,324,470)	(70,404)		(1,394,874)
Right-to-Use Lease Assets	(4,779)	(1,593)		(6,372)
Total Accumulated Depreciation and Amortization	(4,252,179)	(160,933)	-	(4,413,112)
Total Capital Assets Being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization	2,456,727	(68,812)	-	2,387,915
Government Activities Capital Assets, Net	\$ 2,519,168	\$ (68,812)	\$ -	\$ 2,450,356
	To A-1			To A-1
Business-type Activities:				
Equipment	\$ 108,314	\$ 28,226	(4,200)	\$ 132,340
Work in Progress				
Less Accumulated Depreciation	(56,350)	(6,972)	4,200	(59,122)
Business-type Activities Capital Assets, Net	\$ 51,964	\$ 21,254	\$ -	\$ 73,218

Depreciation Expense was Charged to Governmental Functions
as Follows:

Unallocated	To A-2	\$ 160,933
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MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2023, the following changes occurred in long-term obligations:

	Beginning Balance 7/1/2022	Additions	Reductions	Ending Balance 6/30/2023	Amounts Due within One Year	Long-term Portion
Governmental Activities:						
Bonds Payable:						
General Obligation Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Bonds Payable						
Other Liabilities:						
Right-to-Use Lease Liability	4,867		1,594	3,273	1,641	1,632
Net Pension Liability	862,311	361,995		1,224,306		1,224,306
Compensated Absences Payable	34,360	7,335		41,695		41,695
Total Other Liabilities	<u>\$ 901,538</u>	<u>\$ 369,330</u>	<u>\$ 1,594</u>	<u>\$ 1,269,274</u>	<u>\$ 1,641</u>	<u>\$ 1,267,633</u>
					To A-1	
Business-Type Activities:						
Compensated Absences Payable	<u>\$ 5,290</u>	<u>\$ 191</u>		<u>\$ 5,481</u>		<u>\$ 5,481</u>

A. Bonds Payable - Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

Bonds were paid off during the prior school year.

B. Bonds Authorized But Not Issued - As of June 30, 2023, the District had no authorized but not issued bonds.

NOTE 8. OPERATING LEASES

The School is a lessee for various copiers. The District recognizes a lease liability - finance purchase and a capital asset or recognizes a lease liability - right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 - Leases.

At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 - Leases, if the lease is a finance purchase or a right to use lease liability. Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8. OPERATING LEASES - Continued

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School’s capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The District has determined all of their copier lease agreements qualify as right-to-use assets. As of June 30, 2023, total future minimum lease payments under right-to-use lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2024	\$ 1,740
2025	1,450
	<u>\$ 3,190</u>

NOTE 9. PENSION PLANS

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

Public Employees’ Retirement System

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS - Continued

Public Employees' Retirement System (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier.

Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

The following represents the membership tiers for PERS:

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

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2021 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2023 were \$47,711. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2023 is 15.98% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2023, and 2022, were \$102,304 and \$85,246 respectively.

The total payroll for the year ended June 30, 2023 was \$4,556,670. Payroll covered by PERS was \$636,141 for fiscal year 2023.

Components of Net Pension Liability - At June 30, 2023, the District's proportionate share of the PERS net pension liability was \$1,224,306. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The District's proportion measured as of June 30, 2022 was 0.008113% which was an increase of 0.00083% from its proportion measured as of June 30, 2021.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2023 PERS pension expense, with respect to GASB 68, was \$(78,483). The District's 2023 deferred outflows of resources and deferred inflows of resources were from the following sources:

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,836	\$ 7,793
Changes of assumptions	3,793	183,327
Net difference between projected and actual earnings on pension plan investments	50,673	
Changes in proportion	181,959	96,860
Contributions subsequent to the measurement date	102,304	
Total	\$ 347,565	\$ 287,980

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

Year		PERS
2023	\$	(49,376)
2024		(37,180)
2025		3,168
2026		39,497
2027		1,172
Thereafter		
Total	\$	(42,719)

Additional Information - Collective Balances at June 30, 2023 and 2022 are as follows:

Year		2023		2022
Collective deferred outflows of resources	\$	347,565	\$	188,821
Collective deferred inflows of resources	\$	287,980	\$	689,073
Collective Net Pension Liability	\$	1,224,306	\$	862,311
District's Proportion		0.008113%		0.007279%

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 actuarial assumptions, applied to all periods in the measurement:

	PERS
Investment Rate of Return	7.00%
Salary Increases: (Based on Years of Service):	2.75 - 6.55%
Inflation Rate - Price	2.75%
Inflation Rate - Wage	3.25%

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

The actuarial assumptions used in the July 1, 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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

	PERS	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. 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%
Total	100.00%	

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's Proportionate Share of the Net Pension Liability	\$ <u>1,586,195</u>	\$ <u>1,224,306</u>	\$ <u>935,516</u>

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

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

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2021. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$899,928 to the TPAF for pension contributions, \$236,409 for post-retirement benefits on behalf of the School, and \$367 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$227,141 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2023, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2023, the District recognized pension expense of \$315,367 and revenue of \$315,367 for support provided by the State.

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 actuarial assumptions, applied to all periods in the measurement:

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

	TPAF
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 - 5.65%
Inflation Rate - Price	2.75%
Inflation Rate - Wage	3.25%

Long-Term Expected Rate of Return - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

	TPAF	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. 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%
Total	100.00%	

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.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	\$ 13,761,616	\$ 11,718,111	\$ 10,031,098
State's Share of the Net Pension Liability	\$ 60,591,896,759	\$ 51,676,587,303	\$ 44,166,559,329

Defined Contribution Retirement Program (DCRP)

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

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

Eligibility

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

Contributions - The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2023, employee contributions totaled \$20,299 and the District's employer contribution, recognized in pension expense, was \$11,072. There were no forfeitures during the fiscal year.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP) - Continued

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

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

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

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

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

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2022, was \$50,646,462,966. Of this amount, the total OPEB liability attributable to the School District was \$16,247,200. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.03208%. The total OPEB liability for

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

Total OPEB Liability - Continued

the School District measured as of June 30, 2022 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District’s proportionate share of the total OPEB liability measured as of June 30, 2022 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 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, applied to all periods in the measurement:

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

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-2010 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for 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 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount rate

The discount rate 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.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit State Retired Employees Plan:

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 recorded 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 contribution. 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 prefund, 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 prescription drugs and medical claims costs. In accordance with the provisions of GASB 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>.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
State of New Jersey	
Balance as of June 30, 2021 Measurement Date	\$ <u>60,007,650,971</u>
Changes for the year:	
Service Cost	2,770,618,025
Interest	1,342,187,139
Changes of Benefit Terms	0
Differences between Expected and Actual	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Benefit Payments	(1,329,476,059)
Contributions from Members	42,650,252
Net Changes	<u>(9,361,188,004)</u>
Balance as of June 30, 2022 Measurement Date	\$ <u>50,646,462,967</u>

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

The following presents the total nonemployer OPEB liability as of June 30, 2022, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

<u>June 30, 2022</u>		
<u>At 1.00% Decrease</u>	<u>At Discount Rate</u>	<u>At 1.00% Increase</u>
2.54%	3.54%	4.54%
\$ 59,529,589,697	50,646,462,966	43,527,080,995

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

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

<u>June 30, 2022</u>		
<u>1.00% Decrease</u>	<u>Healthcare Cost</u>	<u>1.00% Increase</u>
	Trend Rate	
\$ 41,862,397,291	50,646,462,966	62,184,866,635

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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

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

For the year ended June 30, 2023, the School District recognized OPEB expense of \$197,655. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 2,900,770	\$ (4,960,458)
Changes of Assumptions	2,811,979	(5,529,659)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	131,231	(1,331,767)
Contributions Subsequent to the Measurement Date		
Total	\$ 5,843,980	\$ (11,821,884)

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

Measurement Period Ending June 30,		OPEB
2023	\$	1,873,500
2024		1,873,500
2025		1,873,500
2026		1,991,602
2027		2,347,149
Thereafter		7,706,613
Total	\$	17,665,864

NOTE 11. COMPENSATED ABSENCES

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

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

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 11. COMPENSATED ABSENCES (CONT'D)

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, a liability existed for compensated absences in the General Fund of \$41,695 and \$5,481 in the Food Service Fund.

NOTE 12. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators during the year ended June 30, 2022 were:

- AXA Equitable
- Metlife
- VOYA
- Lincoln Investment
- State of NJ - SACT through employee pension

The district also converted from a pre-taxed disability plan to a post-tax plan with AFLAC under Section 125 of the Internal Revenue Service.

NOTE 13. RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 0	\$ 19,292	\$ 15,850	\$ 259,965
2021-2022	0	19,600	12,795	256,523
2020-2021	0	21,604	1,150	249,718

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$	\$ 10,433
Food Service	10,433	
Total	<u>\$ 10,433</u>	<u>\$ 10,433</u>

NOTE 15. INVENTORY

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food	\$ 3,524
Supplies	<u>1,306</u>
	<u>\$ 4,830</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements. The ending commodity inventory value as of June 30, 2023 was \$1,351.

NOTE 16. MAINTENANCE RESERVE ACCOUNT

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance July 1, 2022	\$ 355,292
Withdrawn	(355,292)
Added	<u>355,292</u>
Ending Balance June 30, 2023	<u>\$ 355,292</u>

NOTE 17. EMERGENCY RESERVE ACCOUNT

New Jersey Statute permits school districts to accumulate funds for Emergency Reserve. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. The activity of the Emergency Reserve Account for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance July 1, 2022	\$ 200,000
Withdrawn	(150,000)
Added	<u>97,427</u>
Ending Balance June 30, 2023	<u>\$ 147,427</u>

The 2023/24 Budget reflects withdraw of \$50,000.

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 18. TUITION RESERVE ACCOUNT

New Jersey Statute permits school districts to accumulate funds for the funding of Tuition up to ten percent of the budget. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. The activity of the tuition reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance July 1, 2021	\$	377,601
Withdrawn		(270,000)
Added		153,784
Ending Balance June 30, 2022	\$	261,385

The 2023/24 Budget reflects withdraw of \$107,601.

NOTE 19. FUND BALANCE APPROPRIATED

General Fund - Of the \$2,029,383, Fund balance at June 30, 2023, \$595,481 is Assigned for encumbrances; \$0, was restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7 and none appropriated and included as anticipated revenue for the year ending June 30, 2024; \$355,292 is restricted for Maintenance Reserve; \$147,427 is restricted for Emergency Reserve, of which \$50,000 has been appropriated as anticipated revenue for the year ending June 30, 2024; \$143,453 is assigned for Capital Reserve, of which \$143,453 has been appropriated and also included as anticipated revenue for the year ending June 30, 2024; \$259,965 is reserved for Unemployment Compensation; \$261,385 is restricted for Tuition Reserve, of which \$107,601 has been appropriated also included as anticipated revenue for the year ending June 30, 2024; \$319,494 has been assigned as fund balance appropriated and also included as anticipated revenue for the year ending June 30, 2023 and (\$53,114) represents an unrestricted and undesignated deficit in fund balance.

Debt Service Fund - The District does not currently maintain a Debt Service Fund.

NOTE 20. DEFICIT FUND BALANCES

The District has an Unrestricted and Undesignated deficit in the General Fund of \$53,114 and a deficit in the Special Revenue Fund Unassigned Fund Balance of \$79,608, as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school year, Districts must record the delayed onyh7e or more June state aid payments as revenue, for budgeted purposes only, in the current budget year. The bill provides legal authority for School Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e. if one government recognizes as asset, the other government recognizes a liability.

Since the state is recording the June state aid payment(s) in the subsequent fiscal year, the district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey Statute and regulation nor in need of corrective action. While the District had an unassigned, undesignated deficit in the GAAP fund statements of the current fund in the amount of \$53,114, this deficit was less than the amount of delayed payments and the \$79,608 Unassigned deficit in the Special Revenue Fund is equal to the last state payment(s).

MAURICE RIVER TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 21. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was no excess fund balance at June 30, 2023 to be restricted and budgeted in the 2023-2024 and none to be budgeted in the 2024-2025 fiscal year.

NOTE 22. TAX ABATEMENT

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

NOTE 23. RECEIVABLES

Receivables at June 30, 2023 consisted of intergovernmental grants and other items. All receivables are considered collectible in full.

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

	General	Special	Proprietary	Total
Receivables:	<u>Fund</u>	Revenue	Funds	<u>Funds</u>
Intergovernmental	\$ 190,157	\$ 136,684	\$ 23,252	\$ 350,093
Other	152,286	<u> </u>	4,661	156,947
Totals	<u>\$ 342,443</u>	<u>\$ 136,684</u>	<u>\$ 27,913</u>	<u>\$ 507,040</u>

NOTE 24. SUBSEQUENT EVENTS

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,209,948	\$	\$ 3,209,948	\$ 3,209,948	\$
Transportation Fees from other LEAs	50,000		50,000	20,070	(29,930)
Interest Earned				10,596	10,596
Miscellaneous	2,560		2,560	115,659	113,099
Total - Local Sources	3,262,508		3,262,508	3,356,273	93,765
State Sources:					
Equalization Aid	3,849,474		3,849,474	3,849,474	
Categorical Special Education Aid	332,611		332,611	332,611	
Categorical Security Aid	123,438		123,438	123,438	
Categorical Transportation Aid	345,391		345,391	345,391	
School Choice Aid	466,578		466,578	466,578	
Other State Aids:					
Non-Public Transportation Aid				3,744	3,744
Extraordinary Aid				48,551	48,551
Maintenance of Equity Aid				116,632	116,632
On-behalf TPAF Pension Contrib.(non-budgeted)				899,928	899,928
On-behalf TPAF Post Retirement Med'l Contrib.(non-budgeted)				236,409	236,409
On-behalf TPAFLong-term Disability Contrib.(non-budgeted)				367	367
Reimbursement TPAF Social Security Contrib. (non-budgeted)				227,141	227,141
Total - State Sources	5,117,492		5,117,492	6,650,264	1,532,772
Federal Sources:					
SEMI					
FEMA					
TOTAL REVENUES	8,380,000		8,380,000	10,006,537	1,626,537
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	3,700	5,082	8,782	8,212	570
Kindergarten	140,839	5,272	146,111	132,058	14,053
Grades 1-5	739,998	(120,565)	619,433	590,583	28,850
Grades 6-8	528,317	87,908	616,225	576,830	39,395
Regular Programs - Home Instruction:					
Salaries of Teachers	15,000	(11,726)	3,274		3,274
Other Purchased Services	1,600		1,600		1,600
Regular Programs - Undistributed					
Instruction:					
Other Salaries for Instruction	42,021	(368)	41,653	34,623	7,030
Purchased Professional - Educational Services	1,000		1,000		1,000
Purchased Technical Services	1,000		1,000		1,000
Other Purchased Services	13,100	(4,340)	8,760	7,306	1,454
General Supplies	117,050	96,707	213,757	144,057	69,700
Textbooks	35,000	(5,500)	29,500		29,500
Other Objects	300		300		300
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,638,925	52,470	1,691,395	1,493,669	197,726

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
SPECIAL EDUCATION - INSTRUCTION:					
Learning/Language Disabilities					
Salaries of Teachers	\$ 113,959	\$ 592	\$ 114,551	\$ 102,023	\$ 12,528
Other Salaries for Instruction	290,113	(30,000)	260,113	130,943	129,170
General Supplies	1,500		1,500	160	1,340
Textbooks	1,000		1,000		1,000
Total Learning/Language Disabilities	406,572	(29,408)	377,164	233,126	144,038
Resource Room/Resource Center					
Salaries of Teachers	229,863	13,486	243,349	222,614	20,735
General Supplies	2,500	130	2,630	544	2,086
Textbooks	1,000		1,000		1,000
Total Resource Room	233,363	13,616	246,979	223,158	23,821
TOTAL SPECIAL EDUCATION - INSTRUCTION	639,935	(15,792)	624,143	456,284	167,859
Basic Skills/Remedial - Instruction					
Salaries of Teachers	58,873	(7,385)	51,488	30,906	20,582
General Supplies	4,000		4,000	845	3,155
Textbooks	2,500	(2,500)			
Total Basic Skills	65,373	(9,885)	55,488	31,751	23,737
School Sponsored Co-curricular Activities:					
Salaries of Teachers	6,000		6,000	6,000	
Purchased Services	1,500		1,500	947	553
Supplies and Materials	5,500	1,938	7,438	6,183	1,255
Other Objects	10,200	(1,938)	8,262	8,261	1
Total School Sponsored Co-curricular Activities	23,200		23,200	21,391	1,809
Total Instruction	2,367,433	26,793	2,394,226	2,003,095	391,131
UNDISTRIBUTED EXPENDITURES:					
Instruction:					
Tuition - Regular - LEAs in State	1,183,127	24,981	1,208,108	1,206,761	1,347
Tuition to Other LEAs within State-Special	723,598	(36,255)	687,343	681,758	5,585
Tuition to CSSC & Regional Day Schools	481,070	99,206	580,276	572,802	7,474
Tuition to Private School for the Disabled within State	173,223	(100,098)	73,125	69,650	3,475
Total Undistributed Expenditures - Instruction	2,561,018	(12,166)	2,548,852	2,530,971	17,881
Attendance and Social Work Services:					
Salaries	8,000		8,000	8,000	
Other Purchased Services	14,000	35,828	49,828	49,828	
Total Attendance and Social Work Services	22,000	35,828	57,828	57,828	

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
UNDISTRIBUTED EXPENDITURES (Continued):					
Health Services:					
Salaries	\$ 85,647	\$ 2,221	\$ 87,868	\$ 87,668	\$ 200
Purchased Professional and Technical Services	3,500	1,500	5,000	5,000	
Other Purchased Services	300	(280)	20		20
Supplies and Materials	2,700	(852)	1,848	1,779	69
Other Objects	300		300	105	195
Total Health Services	92,447	2,589	95,036	94,552	484
Speech, OT, PT and Related Services:					
Salaries		54,912	54,912	43,549	11,363
Purchased Professional- Educational Services	75,372	(44,000)	31,372	27,691	3,681
Supplies and Materials	500	7,000	7,500	7,047	453
Total Undistributed Expenditures - Speech, OT, PT & Related Services	75,872	17,912	93,784	78,287	15,497
Other Support Services - Students - Extraordinary Services:					
Purchased Professional - Educational Services	14,371	(7,186)	7,185	6,831	354
Total Undistributed Expenditures Other Support Services-Students-Extraordinary Services	14,371	(7,186)	7,185	6,831	354
Guidance					
Salaries of Other Professional Staff	128,728	5,828	134,556	132,185	2,371
Supplies and Materials	1,000		1,000		1,000
Other Objects	200		200		200
Total Other Support Services-Students-Regular	129,928	5,828	135,756	132,185	3,571
Child Study Team					
Salaries of Other Professional Staff	2,500	110,387	112,887	112,887	
Purchased Professional - Educational Services	120,000	(120,000)			
Miscellaneous Purchased Services	600		600		600
Supplies and Materials	500	8,774	9,274	9,232	42
Total Other Support Services - Students - Special Services	123,600	(839)	122,761	122,119	642
Improvement of Instruction Services - Other Support					
Salaries of Supervisors of Instruction	79,017		79,017	79,017	
Salaries of Secretarial and Clerical Assistants	28,543	625	29,168	29,167	1
Purchased Professional-Educational Services	2,000	3,965	5,965	2,000	3,965
Total Improvement of Instruction Services	109,560	4,590	114,150	110,184	3,966
Educational Media Services/School Library:					
Purchased Professional and Technical Services	300		300		300
Other Purchased Services	5,400	514	5,914	5,758	156
Supplies and Materials	500	450	950	517	433
Total Educational Media Services/School Library	6,200	964	7,164	6,275	889

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
UNDISTRIBUTED EXPENDITURES: (Continued)					
Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 6,000	\$ (5,265)	\$ 735	\$ 735	\$
Other Salaries	300	(295)	5		5
Purchased Professional - Educational Services	6,500	22,486	28,986	27,975	1,011
Other Purchased Services	8,600	1,513	10,113	10,112	1
Supplies and Materials	1,000	(1,000)			
Total Instructional Staff Training	22,400	17,439	39,839	38,822	1,017
Support Services General Administration:					
Salaries	95,106		95,106	95,106	
Legal Services	5,000	7,625	12,625	12,625	
Audit Fees	17,500	(2,490)	15,010	15,010	
Other Purchased Professional Services	8,165	5,813	13,978	13,978	
Communication/Telephone	35,700	(6,083)	29,617	28,945	672
BOE Other Purchased Services	2,500	(2,000)	500		500
Other Purchased Services	22,611	4,119	26,730	20,536	6,194
General Supplies	500		500		500
BOE In-House Training/Meeting Supplies	50		50		50
Miscellaneous Expenditures	6,000	(2,330)	3,670	3,485	185
BOE Membership Dues and Fees	8,700	(4,054)	4,646	4,645	1
Total Support Services General Administration	201,832	600	202,432	194,330	8,102
Support Services School Administration:					
Salaries of Principals/Assistant Principals	48,768		48,768	48,768	
Salaries of Secretarial and Clerical Assistants	31,843	2,042	33,885	33,884	1
Purchased Professional and Technical Services	1,500	1,963	3,463	3,035	428
Other Purchased Services	6,800	570	7,370	7,187	183
Supplies and Materials	5,000	5,004	10,004	8,574	1,430
Other Objects	3,500	1,273	4,773	4,773	
Total Support Services School Administration	97,411	10,852	108,263	106,221	2,042
Undistributed Services - Central Services					
Salaries	224,182	(8,513)	215,669	215,469	200
Purchased Professional Services	17,744	9,144	26,888	21,888	5,000
Purchased Technical Services	1,000		1,000	549	451
Miscellaneous Purchased Services	16,350	(9,605)	6,745	6,399	346
Supplies and Materials	6,500	6,740	13,240	12,647	593
Miscellaneous Expenditures	700		700	75	625
Total Central Services	266,476	(2,234)	264,242	257,027	7,215
Admin. Info. Technology					
Salaries	46,504		46,504	46,504	
Purchased Technical Services	2,500		2,500		2,500
Other Purchased Services	1,500		1,500	78	1,422
Supplies and Materials	1,500		1,500		1,500
Total Admin. Info. Technology	52,004		52,004	46,582	5,422

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
UNDISTRIBUTED EXPENDITURES: (Continued)					
Required Maintenance for School Facilities					
Increase in Maintenance Reserve	\$	\$	\$	\$	\$
Cleaning, Repair and Maintenance Services	14,765	731,952	746,717	423,443	323,274
General Supplies	2,000		2,000		2,000
Other Objects	1,000		1,000	232	768
Total Required Maintenance for School Facilities	17,765	731,952	749,717	423,675	326,042
Custodial Services					
Salaries	309,064		309,064	302,409	6,655
Purchased Professional and Tech Services	1,800		1,800		1,800
Cleaning/ Repair Maintenance	65,000	186	65,186	45,046	20,140
Insurance	51,996	28,803	80,799	80,798	1
Misc. Purchased Services	2,500		2,500	661	1,839
General Supplies	62,000	832	62,832	45,999	16,833
Energy (Natural Gas)	60,000	17,355	77,355	77,354	1
Energy (Electricity)	116,500	54,880	171,380	171,380	
Other Objects	1,700		1,700	1,220	480
Total Operating/ Maintenance Plant	670,560	102,056	772,616	724,867	47,749
Security					
Purchased Professional and Tech Services	75,000	(31,000)	44,000	11,396	32,604
General Supplies	75,000	31,000	106,000	99,159	6,841
Total Security	150,000		150,000	110,555	39,445
Total Operations and Maintenance					
	838,325	834,008	1,672,333	1,259,097	413,236
Student Transportation Services:					
Salaries of Non-Instructional Aides	23,558	600	24,158	24,156	2
Salaries for Pupil Transportation (Between Home and School) - Regular	217,796	(27,835)	189,961	67,812	122,149
Salaries for Pupil Transportation (Between Home and School) - Special	71,306	2,435	73,741	70,162	3,579
Salaries for Pupil Transportation (Other than Between Home and School)	1,200		1,200		1,200
Salaries for Pupil Transportation (Between Home and School) - Nonpublic	1,200		1,200		1,200
Management Fee- ESC Transportation Program	4,410		4,410		4,410
Other Purchased Professional and Technical Services	1,000		1,000		1,000
Cleaning, Repair, and Maintenance Services	96,000	13,936	109,936	66,891	43,045
Lease Purchase Payments - School Buses	55,770	(2,770)	53,000	53,000	
Contracted Services- Aid in Lieu of Payments- Non-Public	16,000	1,374	17,374	17,374	
Contracted Services (Special Ed) - Joint Agreements	133,528	(8,393)	125,135	56,614	68,521
Miscellaneous Purchased Services - Transportation	45,050	490	45,540	482	45,058
General Supplies	53,000	38,194	91,194	39,471	51,723
Other Objects	9,100		9,100	5,610	3,490
Total Student Transportation Services	728,918	18,031	746,949	401,572	345,377

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Expenditures	Variance Final to Actual Favorable (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
UNDISTRIBUTED EXPENDITURES: (Continued)					
PERSONAL SERVICES - EMPLOYEE BENEFITS:					
Unallocated Benefits - Employee Benefits					
Social Security Contributions	\$ 100,000	\$ (6,880)	\$ 93,120	87,251	\$ 5,869
Other Retirement Contributions - PERS	117,729	14,875	132,604	118,951	13,653
Workers Compensation	67,294	3,779	71,073	71,073	
Health Benefits	1,064,225	(155,471)	908,754	900,246	8,508
Tuition Reimbursement	9,000	5,582	14,582	14,582	
Other Employee Benefits	21,600	(14,826)	6,774	6,774	
TOTAL UNALLOCATED BENEFITS	1,379,848	(152,941)	1,226,907	1,198,877	28,030
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	1,379,848	(152,941)	1,226,907	1,198,877	28,030
On-behalf TPAF Pension Contribution (non-budgeted)				899,928	(899,928)
On-behalf TPAF Post Retirement Med'l Contributions (non-budgeted)				236,409	(236,409)
On-behalf TPAF Long-term Disability Contributions (non-budgeted)				367	(367)
Reimbursement TPAF Social Security Contributions (non-budgeted)				227,141	(227,141)
Total Undistributed Expenditures	6,722,210	773,275	7,495,485	8,005,605	(510,120)
TOTAL EXPENDITURES - CURRENT EXPENSE	9,089,643	800,068	9,889,711	10,008,700	(118,989)
CAPITAL OUTLAY:					
Undistributed Expenditures:					
EQUIPMENT:					
Required Maintenance for Schools		44,441	44,441	44,441	
Security		47,680	47,680	47,680	
School Bus		93,831	93,831		93,831
Total Equipment		185,952	185,952	92,121	93,831
FACILITIES ACQUISITION AND CONSTRUCTION SERVICES					
Land and Improvements	143,453		143,453		143,453
TOTAL CAPITAL OUTLAY	143,453	185,952	329,405	92,121	237,284
TOTAL EXPENDITURES	9,233,096	986,020	10,219,116	10,100,821	118,295

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
EXPENDITURES: (Continued)					
Excess (Deficiency) of Revenues Over (Under) Budget	\$ (853,096)	\$ (986,020)	\$ (1,839,116)	\$ (94,284)	\$ 1,744,832
Operating Financing Sources (Uses)					
Operating Transfer Out - Food Service Deficit	(25,000)		(25,000)	(12,000)	13,000
Transfer of Funds to Charter Schools	(9,974)		(9,974)		9,974
Total Other Financing Sources (Uses)	(34,974)		(34,974)	(12,000)	22,974
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(888,070)	(986,020)	(1,874,090)	(106,284)	1,767,806
Fund Balances, July 1	2,607,708		2,607,708	2,607,708	
Fund Balances, June 30	\$ 1,719,638	\$ (986,020)	\$ 733,618	\$ 2,501,424	\$ 1,767,806
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$	
Capital Reserve					
Maintenance Reserve				355,292	
Emergency Reserve				97,427	
Tuition Reserve				153,784	
Unemployment Compensation				259,965	
Year-end Encumbrances				595,481	
Capital Reserve - Designated for Subsequent Year's Expenditures				143,453	
Emergency Reserve - Designated for Subsequent Year's Expenditures				50,000	
Tuition Reserve - Designated for Subsequent Year's Expenditures				107,601	
Designated for Subsequent Year's Expenditures				319,494	
Unassigned Fund Balance				418,927	
				2,501,424	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Recognized on GAAP Basis				(472,041)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,029,383	

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	\$ 925,853	\$ 58,207	\$ 984,060	\$ 850,705	\$ 133,355
State Sources	796,304	7,998	804,302	802,964	1,338
Local Sources		41,921	41,921	42,447	
Total Revenues	1,722,157	108,126	1,830,283	1,696,116	134,167
EXPENDITURES:					
Instruction					
Salaries of Teachers	748,793	9,563	758,356	736,519	21,837
Salaries - Other Instruction	129,900	(23,619)	106,281	106,110	171
Supplies and Materials	70,341	79,167	149,508	107,163	42,345
Total Instruction	949,034	65,111	1,014,145	949,792	64,353
Support Services					
Salaries of Teachers	133,879	87,184	221,063	217,209	3,854
Salaries - Other Instruction	6,120		6,120	4,678	1,442
Group Insurance	201,404	(35,748)	165,656	133,944	31,712
Social Security Contributions	16,135	5,182	21,317	19,448	1,869
State Share FICA	26,972	345	27,317	27,096	221
TPAF Contributions	131,468	62,663	194,131	189,974	4,157
Purchased Prof/Tech Services	18,552	17,600	36,152	26,552	9,600
Purchased Professional - Prof/Educational Services	127,022	(127,022)			
Purchased Property Services	41,080	(10,257)	30,823	30,823	
Cleaning/Maint./Repairs		9,387	9,387	9,387	
Contracted Transp Reg Ven	41,293	33,681	74,974	74,974	
Supplies and Materials	29,198		29,198	4,503	24,695
Total Support Services	773,123	43,015	816,138	738,588	77,550
Facilities Acquisition and Construction Services:					
Buildings					
Total Facilities Acquisition and Construction Services					
Total Expenditures	1,722,157	108,126	1,830,283	1,688,380	141,903
Other Financing Sources (Uses)					
Total Outflows	1,722,157	108,126	1,830,283	1,688,380	141,903
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)				7,736	7,736
Transfer from General Fund					
Fund Balance, July 1				36,203	36,203
Fund Balance, June 30			\$	\$ 43,939	\$ 43,939

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 10,006,537	[E-1] \$ 1,696,116
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 Current Year	51,101 (62,766)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	466,966	62,491
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(472,041)	(79,608)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ 10,001,462	[B-2] \$ 1,667,334
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 10,100,821	[E-1] \$ 1,688,380
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		(11,665)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	[B-2] \$ 10,100,821	[B-2] \$ 1,676,715

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.007279%	0.007059%	0.008087%	0.007603%	0.007597%	0.007967%	0.008400%	0.008619%	0.008640%
District's Proportionate Share of the Net Pension Liability	\$ 862,311	\$ 1,151,170	\$ 1,457,141	\$ 1,496,948	\$ 1,768,508	\$ 2,359,507	\$ 1,885,724	\$ 1,613,853	\$ 1,651,361
District's Covered-Employee Payroll	\$ 536,005	\$ 568,489	\$ 521,806	\$ 533,033	\$ 546,116	\$ 551,227	\$ 537,084	\$ 550,214	\$ 542,474
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	160.88%	202.50%	279.25%	280.84%	323.83%	428.05%	351.10%	293.31%	304.41%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

	<u>2021</u>	<u>2020</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 85,246	\$ 77,224	\$ 75,989	\$ 71,375	\$ 71,206	\$ 72,221	\$ 71,060	\$ 65,104
Contributions in relation to the Contractually Required Contribution	(85,246)	(77,224)	(75,989)	(71,375)	(71,206)	(72,221)	(71,060)	(65,104)
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's Covered-Employee Payroll	\$ 536,005	\$ 568,489	\$ 533,033	\$ 546,116	\$ 551,227	\$ 537,084	\$ 550,214	\$ 542,474
Contributions as a Percentage of Covered-Employee Payroll	15.90%	13.58%	14.26%	13.07%	12.92%	13.45%	12.91%	12.00%

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

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.022789%	0.023220%	0.022823%	0.022530%	0.023972%	0.024613%	0.024792%	0.023289%	0.023076%
District's Proportionate Share of the Net Pension Liability \$	10,955,765	\$ 15,289,971	\$ 14,006,435	\$ 14,333,116	\$ 16,162,834	\$ 19,362,454	\$ 15,669,413	\$ 12,447,209	\$ 11,662,579
District's Covered-Employee Payroll	\$ 2,597,618	\$ 2,581,506	\$ 2,478,946	\$ 2,512,844	\$ 2,462,460	\$ 2,421,620	\$ 2,390,805	\$ 2,420,079	\$ 2,345,487
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	421.76%	592.29%	565.02%	570.39%	656.37%	799.57%	655.40%	514.33%	497.23%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability						
Service Cost	\$ 793,583	\$ 912,411	\$ 524,840	\$ 512,098	\$ 596,501	\$ 715,478
Interest Cost	430,569	505,023	486,875	622,819	692,492	598,399
Changes of Benefit Terms		(20,721)				
Differences Between Expected and Actual Experiences	326,217	(3,834,421)	3,995,284	(3,142,397)	(2,237,695)	
Changes of Assumptions	(4,358,457)	19,207	4,068,238	202,363	(1,811,022)	(2,433,237)
Member Contributions	13,682	12,911	11,752	12,350	14,585	16,161
Gross Benefit Payments	(426,491)	(397,817)	(387,729)	(416,627)	(421,995)	(438,894)
Net Change in Total OPEB Liability	<u>(3,220,897)</u>	<u>(2,803,407)</u>	<u>8,699,260</u>	<u>(2,209,394)</u>	<u>(3,167,134)</u>	<u>(1,542,093)</u>
Total OPEB Liability - Beginning	<u>19,468,097</u>	<u>22,271,504</u>	<u>13,572,244</u>	<u>15,781,638</u>	<u>18,948,772</u>	<u>20,490,865</u>
Total OPEB Liability - Ending	<u>\$ 16,247,200</u>	<u>\$ 19,468,097</u>	<u>\$ 22,271,504</u>	<u>\$ 13,572,244</u>	<u>\$ 15,781,638</u>	<u>\$ 18,948,772</u>
Covered-Employee Payroll	<u>\$ 3,133,623</u>	<u>\$ 3,133,623</u>	<u>\$ 3,149,995</u>	<u>\$ 3,000,752</u>	<u>\$ 3,045,877</u>	<u>\$ 3,008,576</u>
Total OPEB Liability as a Percentage of Covered-Employee Payroll	518.48%	621.26%	707.03%	452.29%	518.13%	629.83%

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

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

**TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	IDEA									Sub- Total Per E-1 (1)
	NCLB			I.D.E.A.- Part B-Basic		Preschool Education Aid	Student Activities Fund	Climate Awareness	Rural Education Achievement Program	
	Title I Part A	Title II A	Title IV	I.D.E.A.- Preschool	Reg Prog					
REVENUES:										
Federal Sources	\$ 96,716	\$ 14,481	\$ 10,000	\$ 3,961	\$ 123,061				\$ 32,679	\$ 280,898
State Sources						\$ 796,304		\$ 6,660		802,964
Local Sources							\$ 42,447			42,447
Total Revenues	96,716	14,481	10,000	3,961	123,061	796,304	42,447	6,660	32,679	1,126,309
EXPENDITURES:										
Instruction:										
Salaries of Teachers	62,252	9,589				363,074				434,915
Salaries - Other Instruction						103,341				103,341
Supplies and Materials						58,968	34,711	6,660		100,339
Total Instruction	62,252	9,589				525,383	34,711	6,660		638,595
Support Services:										
Salary of Teachers			6,621	2,623	81,497	93,030			21,642	205,413
Salary of Bus Aides										
Group Insurance	2,715	2	2		1	64,189				66,909
Social Sec Contributions				201	6,234	7,905				14,340
State Share FICA	4,762	734	507						1,656	7,659
TPAF Contrib.	26,987	4,156	2,870	1,137	35,329				9,381	79,860
Purchased Prof/Tech Services										
Purchased Prof/Educ Services										
Purchased Property Services						30,823				30,823
Cleaning/Maint./Repairs										
Contracted Transp Reg Ven						74,974				74,974
Supplies and Materials										
Total Support Services	34,464	4,892	10,000	3,961	123,061	270,921			32,679	479,978
Facilities Acq/Construction										
Facility Upgrade										
Non-Instructional Equipment										
Total Facilities Acq/Construction										
Total Expenditures	96,716	14,481	10,000	3,961	123,061	796,304	34,711	6,660	32,679	1,118,573
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures							7,736			7,736
Transfer from General Fund										
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)							7,736			7,736
Fund Balance, July 1							36,203			36,203
Fund Balance, June 30							43,939			43,939

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 363,074	\$ 363,074	\$
Other Salaries for Instruction	103,341	103,341	
Supplies and Materials	58,968	58,968	
Total Instruction	525,383	525,383	
Support:			
Salaries of Teachers	93,030	93,030	
Personal Services - Employee Benefits	64,189	64,189	
Social Security Contributions	7,905	7,905	
Purchased Professional Services	30,823	30,823	
Purchased Prof/Educ Services	74,974		
Contracted Transp Reg Ven		74,974	
Total Support Services	270,921	270,921	
Facilities Acquisition and Const. Services:			
Instructional Equipment			
Non-instructional Equipment			
Total Facilities Acquisition and Const. Services:			
Contribution to Charter Schools			
Total Expenditures	\$ 796,304	\$ 796,304	\$

CALCULATION OF BUDGET & CARRYOVER

Total revised 2022-2023 Preschool Education Aid Allocation	\$ 796,080		(1)
Add: Actual ECPA/PEA Carryover (June 30, 2022)	10,408		(2)
Add: Budgeted Transfer from the General Fund 2022-2023			(3)
Total Preschool Education Aid Funds Available for 2022-2023 Budget	806,488		(4)
Less: 2022-2023 Budgeted Preschool Education Aid (including prior year budget carryover)	(796,304)		(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	10,184		(6)
Add: June 30, 2023 Unexpended Preschool Education Aid			(7)
Less: 2022-2023 Commissioner-approved Transfer to the General Fund			(8)
2022-2023 Carryover - Preschool Education Aid/Preschool Programs	10,184		(9)
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2023-2024	-		(10)

PROPRIETARY FUND DETAIL STATEMENTS

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

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

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

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

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
FOOD SERVICES ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2023 AND 2022

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
ASSETS:		
Current Assets:		
Cash	\$ 19,211	\$ 71,456
Accounts Receivable:		
State	728	400
Federal	22,524	31,423
Other	4,661	2,213
Interfund Receivable	10,433	628
Inventories	4,830	4,147
Total Current Assets	<u>62,387</u>	<u>110,267</u>
Fixed Assets:		
Equipment	132,340	108,314
Accumulated Depreciation	(59,122)	(56,350)
Total Fixed Assets	<u>73,218</u>	<u>51,964</u>
Total Assets	<u>\$ 135,605</u>	<u>\$ 162,231</u>
LIABILITIES AND NET POSITION:		
Current Liabilities:		
Unearned Revenue	\$ 4,511	\$ 4,659
Accounts Payable		
Non-Current Liabilities:		
Compensated Absences	5,481	5,290
Total Liabilities	<u>9,992</u>	<u>9,949</u>
Net Position		
Investment in Fixed Assets	73,218	51,964
Unrestricted	52,395	100,318
Total Net Position	<u>125,613</u>	<u>152,282</u>
Total Liabilities and Net Position	<u>\$ 135,605</u>	<u>\$ 162,231</u>

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
FOOD SERVICES ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
OPERATING REVENUES:		
Local Sources:		
Daily Sales - Reimbursable Programs:		
School Lunch Program	\$ 46,798	\$
School Breakfast Program	10,086	
Total Daily Sales - Reimbursable Programs	56,884	
Daily Sales Non-Reimbursable Programs	25,712	27,241
Total Operating Revenue	82,596	27,241
OPERATING EXPENSES:		
Salaries	135,394	127,100
Employee Benefits	34,460	16,764
Supplies and Materials	9,395	5,685
Depreciation	6,972	5,762
Cost of Sales - Reimbursable Programs	90,490	123,967
Cost of Sales - Non Reimbursable Programs	6,320	5,601
Other Expenses	8,047	6,067
Total Operating Expenses	291,078	290,946
Operating Loss	(208,482)	(263,705)
Non-Operating Revenues:		
State Sources:		
School Breakfast Program	571	
School Lunch Program	3,485	4,977
Federal Sources:		
School Breakfast Program	28,748	95,101
National School Lunch Program	93,049	211,809
Emergency Operational Cost Program - Schools		6,882
P-EBT Administrative Cost Reimb.	653	1,242
Supply Chain Assistance Funding	26,160	6,436
Food Distribution Program	17,147	16,801
Total Non-Operating Revenues	169,813	343,248
Net Income before Operating Transfers and Adjustments	(38,669)	79,543
Operating Transfer In - General Fund	12,000	
Net Income	(26,669)	79,543
Net Position - July 1	152,282	72,739
Net Position - June 30	\$ 125,613	\$ 152,282

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
FOOD SERVICES ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2023 AND 2022

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 82,596	\$ 27,241
Payments to Employees	(135,394)	(127,100)
Payments for Employee Benefits	(34,460)	(16,764)
Payments to Suppliers	(101,427)	(140,940)
	<hr/>	<hr/>
Net Cash Provided by (used for) Operating Activities	(188,685)	(257,563)
	<hr/>	<hr/>
Cash Flows from Non-capital Financing Activities:		
Cash Received from State and Federal Reimbursements	152,666	326,447
Cash Received from General Fund Operating		
Operating Transfer In	12,000	
	<hr/>	<hr/>
Net Cash Provided by Non-capital Financing Activities	164,666	326,447
	<hr/>	<hr/>
Cash Flows from Capital and Related Financing Activities		
Fixed Assets (Purchased) Sold	(28,226)	(4,198)
	<hr/>	<hr/>
Net Cash Provided by Capital and Related Financing Activities	(28,226)	(4,198)
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Interest on Investments		
	<hr/>	<hr/>
Net Cash Provided by Investing Activities		
	<hr/>	<hr/>
Net Increase in Cash	(52,245)	64,686
Cash and Cash Equivalents, July 1	71,456	6,770
	<hr/>	<hr/>
Cash and Cash Equivalents, June 30	\$ 19,211	\$ 71,456
	<hr/> <hr/>	<hr/> <hr/>
Operating Income (Loss)	\$ (208,482)	\$ (263,705)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:		
Depreciation	6,972	5,762
Food Distribution Program	17,147	16,801
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	6,123	(4,124)
(Increase) Decrease in Inventory	(683)	(398)
(Increase) Decrease in Interfund Receivable	(9,805)	(628)
Increase (Decrease) in Unearned Revenue	(148)	1,688
Increase (Decrease) in Compensated Absences	191	1,834
Increase (Decrease) in Accounts Payable		(14,793)
	<hr/>	<hr/>
Total Adjustments	19,797	6,142
	<hr/>	<hr/>
Net Cash Used by Operating Activities	\$ (188,685)	\$ (257,563)
	<hr/> <hr/>	<hr/> <hr/>

STATISTICAL SECTION

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$ 1,795,882	\$ 1,743,934	\$ 1,893,518	\$ 1,975,168	\$ 2,049,503	\$ 2,096,436	\$ 2,198,929	\$ 2,269,774	\$ 2,514,301	\$ 2,447,083
Restricted	1,413,164	1,411,384	1,274,522	1,306,393	786,427	1,019,915	957,743	1,508,164	1,369,072	1,211,461
Unrestricted (Deficit)	(469,365)	(1,934,286)	(1,992,005)	(2,037,465)	(1,557,899)	(1,667,060)	(1,416,380)	(1,332,676)	(651,541)	(424,163)
Total Governmental Activities Net Position	<u>\$ 2,739,681</u>	<u>\$ 1,221,032</u>	<u>\$ 1,176,035</u>	<u>\$ 1,244,096</u>	<u>\$ 1,278,031</u>	<u>\$ 1,449,291</u>	<u>\$ 1,740,292</u>	<u>\$ 2,445,262</u>	<u>\$ 3,231,832</u>	<u>\$ 3,234,381</u>
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$ 27,872	\$ 25,277	\$ 23,079	\$ 20,881	\$ 66,307	\$ 60,332	\$ 58,880	\$ 53,528	\$ 51,964	\$ 73,218
Restricted	42,488	51,855	56,332	69,968	16,035	14,877	16,228	19,211	100,318	52,395
Unrestricted	(14,616)	(26,578)	(33,253)	(49,087)	(50,728)	(54,545)	(57,348)	(65,683)	(48,354)	(29,177)
Total Business-Type Activities Net Position	<u>\$ 70,360</u>	<u>\$ 77,132</u>	<u>\$ 79,411</u>	<u>\$ 90,849</u>	<u>\$ 82,342</u>	<u>\$ 75,209</u>	<u>\$ 75,108</u>	<u>\$ 72,739</u>	<u>\$ 152,282</u>	<u>\$ 125,613</u>
District-Wide										
Invested in Capital Assets, Net of Related Debt	\$ 1,823,754	\$ 1,769,211	\$ 1,916,597	\$ 1,996,049	\$ 2,115,810	\$ 2,156,768	\$ 2,257,809	\$ 2,323,302	\$ 2,566,265	\$ 2,520,301
Restricted	1,413,164	1,411,384	1,274,522	1,306,393	786,427	1,019,915	957,743	1,508,164	1,369,072	1,211,461
Unrestricted (Deficit)	(426,877)	(1,882,431)	(1,865,673)	(1,967,497)	(1,541,864)	(1,652,183)	(1,400,152)	(1,313,465)	(551,223)	(371,768)
Total District-Wide Net Position	<u>\$ 2,810,041</u>	<u>\$ 1,298,164</u>	<u>\$ 1,325,446</u>	<u>\$ 1,334,945</u>	<u>\$ 1,360,373</u>	<u>\$ 1,524,500</u>	<u>\$ 1,815,400</u>	<u>\$ 2,518,001</u>	<u>\$ 3,384,114</u>	<u>\$ 3,359,994</u>

Source: ACFR Schedule A-1

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 1,871,215	1,741,956	1,740,939	1,767,539	1,830,530	1,935,245	1,909,344	2,121,340	2,535,732	2,449,396
Special Education	453,675	413,385	440,607	435,171	433,965	347,638	354,117	447,508	381,968	456,284
Other Special Instruction	5,744	45,833	53,111	62,064	63,667	99,023	92,560	25,018	18,112	53,142
Support Services										
Tuition	2,776,199	2,311,928	2,460,471	2,388,242	2,092,085	2,138,581	2,218,715	2,148,218	2,389,331	2,530,971
Student and Instruction Related Services	557,925	598,703	652,274	706,178	726,900	861,204	898,820	1,037,949	987,417	1,131,553
General Administrative Services	169,326	146,857	140,973	142,119	146,261	153,379	181,070	172,818	190,026	194,330
School Administrative Services	112,436	155,858	156,973	142,908	126,100	129,390	105,699	140,852	138,055	152,803
Central Services	205,950	202,171	207,006	186,596	212,031	184,234	265,835	237,770	244,603	257,027
Plant Operations and Maintenance	427,701	554,147	548,664	541,727	587,222	800,506	673,151	1,010,979	739,855	1,259,097
Security	20,155									
Pupil Transportation	514,968	456,013	416,901	439,029	543,262	533,971	412,167	287,843	449,899	401,572
Employee Benefits	1,411,111	2,136,720	2,532,714	3,140,096	3,726,333	2,873,195	2,387,941	3,151,675	2,300,116	1,985,418
Amortization of Debt Issue Costs										
Interest on Long-Term Debt	51,488	45,138	38,913	33,013	27,020	20,831	14,747	11,756	2,887	(1,594)
Unallocated Depreciation and Amortization	197,195	191,948	179,431	175,970	171,130	140,185	115,210	119,353	141,034	160,933
Total Governmental Activities Expenses	8,775,088	9,000,657	9,568,977	10,160,652	10,686,506	10,217,382	9,629,376	10,913,079	10,519,035	11,030,932
Business-Type Activities										
Food Service	189,693	176,967	180,138	186,955	208,238	212,412	208,046	232,296	290,946	291,078
Total Business-Type Activities Expense	189,693	176,967	180,138	186,955	208,238	212,412	208,046	232,296	290,946	291,078
Total District Expenses	\$ 8,964,781	9,177,624	9,749,115	10,347,607	10,894,744	10,429,794	9,837,422	11,145,375	10,809,981	11,322,010
Program Revenues										
Governmental Activities										
Operating Grants and Contributions	\$ 849,458	1,428,407	1,959,433	2,519,663	2,057,165	1,938,502	1,978,228	2,235,992	2,904,819	3,040,560
Total Governmental Activities Program Revenue	849,458	1,428,407	1,959,433	2,519,663	2,057,165	1,938,502	1,978,228	2,235,992	2,904,819	3,040,560
Business-Type Activities										
Charges for Services										
Food Service	53,764	49,401	46,367	51,215	58,879	70,992	51,414	5,959	27,241	82,596
Operating Grants and Contributions	99,575	109,338	111,050	122,178	115,852	111,552	107,902	198,968	343,248	169,813
Total Business-Type Activities Program Revenues	153,339	158,739	157,417	173,393	174,731	182,544	159,316	204,927	370,489	252,409
Total District Program Revenues	\$ 1,002,797	1,587,146	2,116,850	2,693,056	2,231,896	2,121,046	2,137,544	2,440,919	3,275,308	3,292,969
Net (Expense)/Revenue										
Governmental Activities	\$ (7,925,620)	(7,572,250)	(7,609,540)	(7,640,989)	(8,629,341)	(8,278,880)	(7,651,148)	(8,677,087)	(7,614,216)	(7,990,372)
Business-Type Activities	(36,354)	(18,228)	(22,721)	(13,562)	(33,507)	(29,868)	(48,730)	(27,369)	79,543	(38,669)
Total District-Wide Net Expense	\$ (7,961,974)	(7,590,478)	(7,632,261)	(7,654,551)	(8,662,848)	(8,308,748)	(7,699,878)	(8,704,456)	(7,534,673)	(8,029,041)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied for General Purposes, net	\$ 2,612,637	2,702,847	2,715,879	2,794,884	2,855,065	2,953,190	3,012,254	3,085,302	3,147,008	3,209,948
Taxes Levied for Debt Service	92,151	96,640	98,461	92,818	92,407	89,232	83,493	80,425	74,790	
Unrestricted Grants and Contributions	4,836,896	4,788,495	4,785,834	4,743,462	5,696,837	5,334,290	4,866,443	5,890,773	5,099,158	4,606,201
Tuition Received										
Transportation Charges	62,805	64,201	55,122	26,189	35,440	87,591	13,391	12,416	19,221	20,070
Investment Earnings	43	48	184	419	1,002	1,964	1,789	49	166	10,596
Miscellaneous Income	830	12,627	4,063	6,278	10,519	13,872	13,408	67,862	60,530	158,106
Right-to-Use Lease Adjustment									(87)	
Transfers					(2,994)	(29,999)	(48,629)	(25,000)	(25,000)	(12,000)
Total Governmental Activities	7,605,362	7,664,858	7,659,543	7,664,050	8,688,276	8,450,140	7,942,149	9,111,827	8,375,786	7,992,921
Business-Type Activities										
Fixed Asset Adjustment						(2,265)				
Transfer						25,000	48,629	25,000		12,000
Total Business-Type Activities						22,735	48,629	25,000		12,000
Total District-Wide	\$ 7,605,362	7,664,858	7,659,543	7,664,050	8,688,276	8,472,875	7,990,778	9,136,827	8,375,786	8,004,921
Change in Net Position										
Governmental Activities	\$ (320,258)	92,608	50,003	23,061	58,935	171,260	291,001	434,740	761,570	2,549
Business-Type Activities	(36,354)	(18,228)	(22,721)	(13,562)	(33,507)	(7,133)	(101)	(2,369)	79,543	(26,669)
Total District-Wide	\$ (356,612)	74,380	27,282	9,499	25,428	164,127	290,900	432,371	841,113	(24,120)

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Restricted:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Excess Surplus						10,765				-
Capital Reserve								53,453		
Maintenance Reserve	355,292	311,042	237,000	300,217	127,892	355,292	219,860	355,292	355,292	355,292
Emergency Reserve	250,000	250,000	250,000	250,000	200,000	200,000	173,260	200,000	50,000	97,427
Unemployment Compensation								249,718	256,523	259,965
Tuition Reserve	245,000	225,960	148,411	168,535	150,000	213,858	200,000	270,000	107,601	153,784
Assigned:										
Excess Surplus							10,765			
Encumbrances	27,663	223,760	150,969	124,974	262,640	112,399	317,151	249,745	630,728	595,481
Capital Reserve	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	143,453	143,453
Emergency Reserve					50,000		50,000	50,000	150,000	50,000
Tuition Reserve	245,875	245,000	225,962	148,411	168,535	150,000	213,858	200,000	270,000	107,601
Subsequent Year's Expenditures	213,637	73,248	196,971	250,000	250,000	250,000	279,608	275,667	324,617	319,494
Unassigned (Deficit)	(381,613)	(259,039)	(209,284)	(212,228)	(208,176)	(189,049)	(186,726)	(134,007)	(147,472)	(53,114)
Total General Fund	\$ 1,045,854	\$ 1,159,971	\$ 1,090,029	\$ 1,119,909	\$ 1,090,891	\$ 1,193,265	\$ 1,367,776	\$ 1,859,868	\$ 2,140,742	\$ 2,029,383
All Other Governmental Funds										
Restricted, Reported in:										
Special Revenue Fund								39,701	36,203	43,939
Assigned, Reported in:										
Debt Service Fund								1	1	
Unassigned, Reported in:										
Debt Service Fund										
Special Revenue Fund (Deficit)	(14,303)	(7,628)	(24,791)	(25,744)	(23,838)	(47,009)	(54,128)	(72,977)	(62,491)	(79,608)
Total All Other Governmental Funds	\$ (14,303)	\$ (7,628)	\$ (24,791)	\$ (25,744)	\$ (23,838)	\$ (47,009)	\$ (54,128)	\$ (33,275)	\$ (26,287)	\$ (35,669)

Source: ACFR Schedule B-1

MAURICE RIVER TOWNSHIP 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	\$ 2,704,788	2,799,487	\$ 2,814,340	\$ 2,887,702	\$ 2,947,472	\$ 3,042,422	\$ 3,095,747	\$ 3,165,727	\$ 3,221,798	\$ 3,209,948
Tuition Charges - Other LEAs										
Tuition Charges - From Individuals										
Transportation Charges	62,805	64,201	55,122	26,189	35,440	87,591	13,391	12,416	19,221	20,070
Interest Earnings	43	48	184	419	1,002	1,964	1,789	49	166	10,596
Miscellaneous	830	12,627	4,063	6,278	10,519	13,872	13,408	67,862	60,530	158,106
State Sources	5,398,671	5,395,505	5,680,274	5,793,093	5,858,312	6,252,355	6,362,008	6,782,914	7,130,115	7,419,371
Federal Sources	287,683	285,653	305,299	284,852	287,603	279,938	275,566	412,539	1,001,790	850,705
Total Revenues	8,454,820	8,557,521	8,859,282	8,998,533	9,140,348	9,678,142	9,761,909	10,441,507	11,433,620	11,668,796
Expenditures										
Instruction										
Regular Instruction	1,871,215	1,741,956	1,740,939	1,767,539	1,830,530	1,935,245	1,909,344	2,121,340	2,535,732	2,449,396
Special Education Instruction	453,675	413,385	440,607	435,171	433,965	347,638	354,117	447,508	381,968	456,284
Other Special Instruction	5,744	45,833	53,111	62,064	63,667	99,023	92,560	25,018	18,112	53,142
Support Services										
Tuition	2,776,199	2,311,928	2,460,471	2,388,242	2,092,085	2,138,581	2,218,715	2,148,218	2,389,331	2,530,971
Student and Instruction Related Serv	557,925	598,703	652,274	706,178	726,900	861,204	898,820	1,037,949	987,417	1,131,553
General Administrative Services	169,326	146,857	140,969	142,119	146,261	153,379	181,070	172,818	190,026	194,330
School Administrative Services	112,436	155,858	156,973	142,908	126,100	129,390	105,699	140,852	138,055	152,803
Central Services	205,950	202,171	207,006	186,596	212,031	184,234	265,835	237,770	244,603	257,027
Plant Operations and Maintenance	427,701	554,147	643,848	541,727	587,222	800,506	673,151	1,010,979	760,995	1,259,097
Security	20,155									
Pupil Transportation	514,968	456,013	416,901	439,029	543,262	533,971	412,167	287,843	449,899	401,572
Employee Benefits	1,415,758	1,596,513	1,732,546	1,839,500	2,101,865	2,174,725	2,198,971	2,341,543	2,679,337	2,799,240
Unallocated Employee Benefits	74,957									
Capital Outlay			83,831	112,620	95,465	37,118	72,702	45,198	224,508	92,121
Debt Service										
Principal	125,000	140,000	150,000	145,000	150,000	150,000	145,000	145,000	140,000	
Interest and Other Charges	54,613	48,363	41,913	35,913	30,113	23,925	17,738	11,756	5,775	
Total Expenditures	8,785,622	8,411,727	8,921,389	8,944,606	9,139,466	9,568,939	9,545,889	10,173,792	11,145,758	11,777,536
Excess (Deficiency) of Revenues Over (Under) Expenditures	(330,802)	145,794	(62,107)	53,927	882	109,203	216,020	267,715	287,862	(108,740)
Other Financing Sources (Uses)										
Capital Lease (Non-budgeted) Transfers	(25,000)	(25,000)	(25,000)	(25,000)	(27,994)	(29,999)	(48,629)	(25,000)		(12,000)
Total Other Financing Sources (Uses)	(25,000)	(25,000)	(25,000)	(25,000)	(27,994)	(29,999)	(48,629)	(25,000)		(12,000)
Net Change in Fund Balances	\$ (355,802)	\$ 120,794	\$ (87,107)	\$ 28,927	\$ (27,112)	\$ 79,204	\$ 167,391	\$ 242,715	\$ 287,862	\$ (120,740)
Debt Service as a Percentage of Noncapital Expenditures	2.0%	2.2%	2.2%	2.0%	2.0%	2.0%	1.7%	1.5%	1.3%	0.0%

Source: ACFR Schedule B-2

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

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Transportation</u> <u>Fees</u>	<u>Cumberland</u> <u>Recycling</u>	<u>Maurice</u> <u>River Twp.</u> <u>Cleaning</u>	<u>Refund of</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Rent</u>	<u>Misc.</u>	<u>Total</u>
2023	\$ 10,596	\$	\$ 20,070	\$	\$	\$	\$	\$ 115,659	\$ 146,325
2022	166	6,528	19,221	10,206				8,305	44,426
2021	49	6,873	12,416	500				20,096	39,934
2020	1,789	1,001	13,391	-				12,407	28,588
2019	1,964	1,570	87,591	229				12,073	103,427
2018	1,002		35,440	116		1,626		8,777	46,961
2017	419		26,189	157				6,121	32,886
2016	184		55,122					4,063	59,369
2015	48		64,201	1,316	992		901	9,418	76,876
2014	43		62,805		1,334			(504)	63,678
2013	52	37,669	60,644			3,963		6,103	108,431

Source: District Records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities *	Net Valuation Taxable	Total Direct School Tax Rate	Estimated Actual (County Equalized Value)
2023	\$ 11,512,200	\$ 234,466,800	\$ 6,310,500	\$ 2,011,800	\$ 19,849,900	\$ 16,680,500	\$ 619,700	\$ 291,451,400	\$ 587,981	\$ 292,039,381	\$ 1.130	\$ 323,870,875
2022	11,813,700	234,618,100	5,748,500	2,150,900	19,859,900	16,680,500	619,700	291,491,300	626,380	292,117,680	1.099	301,069,582
2021	11,684,700	233,032,900	6,193,300	2,138,200	20,328,400	16,680,500	619,700	290,677,700	629,612	291,307,312	1.106	272,144,649
2020	11,700,900	234,878,700	6,522,600	2,154,300	20,175,200	17,897,500	619,700	293,948,900	629,612	294,534,595	1.056	276,701,852
2019	11,680,000	235,779,000	6,486,000	2,143,500	18,283,300	17,814,400	619,700	292,805,900	585,695	293,391,595	1.056	276,701,852
2018	11,677,700	236,918,100	7,176,600	2,159,800	18,355,900	17,814,400	619,700	294,722,200	585,695	295,307,895	1.031	273,905,390
2017	11,953,400	239,849,400	7,077,800	2,155,900	18,791,800	17,814,400	619,700	298,262,400	583,316	298,845,716	0.987	293,594,251
2016	11,904,700	240,696,600	6,705,300	2,116,200	18,868,000	18,020,900	619,700	298,931,400	585,309	299,516,709	0.965	293,413,704
2015	11,855,200	241,441,700	7,125,600	2,235,700	18,918,800	18,270,900	619,700	300,467,600	604,947	301,072,547	0.935	304,144,405
2014	11,327,000	241,760,400	6,868,300	2,226,800	19,025,900	18,295,700	619,700	300,123,800	581,495	300,705,295	0.931	310,261,344

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

(Rate Per \$100 of Assessed Value)

(UNAUDITED)

Year Ended June 30,	Maurice River Township Board of Education			Overlapping Rates		
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Maurice River Township	Cumberland County	Total
2023	\$ 1.099	\$ 0.031	\$ 1.130	\$ 0.444	\$ 1.160	\$ 2.734
2022	1.099	0.000	1.099	0.443	1.206	2.748
2021	1.075	0.031	1.106	0.442	1.147	2.695
2020	1.026	0.030	1.075	0.442	1.183	2.700
2019	1.025	0.031	1.056	0.442	1.140	2.638
2018	0.999	0.032	1.031	0.446	1.099	2.576
2017	0.956	0.031	0.987	0.435	1.148	2.570
2016	0.932	0.033	0.965	0.433	1.106	2.504
2015	0.903	0.032	0.935	0.427	1.126	2.488
2014	0.899	0.032	0.931	0.428	1.083	2.442

Source: District Records and Municipal Tax Collector

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

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

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

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

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Whibco Inc.	\$ 7,635,300	2.61%	\$ 7,694,500	2.56%
US Silica Company	5,078,800	1.74%	5,078,800	1.69%
Wawa, Inc.	2,950,000	1.01%	2,950,000	0.98%
Mays Landing Sand & Gravel Co., Inc.	2,742,200	0.94%	2,742,200	0.91%
RMVM, LLC	2,145,000	0.73%		
Briardale Farms, LLC	1,596,800	0.55%		
Nicole-Kirstie LLC	1,534,600	0.53%	1,128,100	0.38%
Atlantic Masonry Supply Inc.	1,206,500	0.41%	1,206,500	0.40%
Kozani LLC			956,800	0.32%
Ocean Food and Fuels, LLC	908,300	0.31%		
Imbesi Family Limited Partnership Agreement			1,740,700	0.58%
Dom Zanghi & Sons Inc.			1,217,000	0.40%
Taxpayer #1			1,206,400	0.40%
Gulperi, LLC	956,800	0.33%		
Total	\$ 26,754,300	8.83%	\$ 25,921,000	8.62%

Source: District ACFR & Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2023	\$ 3,209,948	\$ 3,209,948	100.00%	
2022	3,147,008	3,147,008	100.00%	
2021	3,085,302	3,085,302	100.00%	
2020	3,012,254	3,012,254	100.00%	
2019	2,953,190	2,953,190	100.00%	
2018	2,855,065	2,855,065	100.00%	
2017	2,942,771	2,942,771	100.00%	
2016	2,947,472	2,947,472	100.00%	
2015	2,812,519	2,812,519	100.00%	
2014	2,704,788	2,704,788	100.00%	

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

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

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Per Capita ^a			
2023	\$	\$	\$	\$	\$		\$	*
2022								
2021	140,000				140,000	0.06%	25	
2020	285,000				285,000	0.12%	47	
2019	430,000				430,000	0.18%	72	
2018	580,000				580,000	0.24%	92	
2017	730,000				730,000	0.29%	113	
2016	875,000				875,000	0.35%	131	
2015	1,025,000				1,025,000	0.39%	142	
2014	1,165,000				1,165,000	0.45%	158	

The final debt principal payment was made during the current fiscal year.

* Estimate

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 income and population for the prior calendar year.

b Includes Early Retirement Incentive Plan (ERIP) refunding

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2023	\$	\$	\$		\$ *
2022					
2021	140,000		140,000	0.05%	25
2020	285,000		285,000	0.10%	48
2019	430,000		430,000	0.16%	71
2018	580,000		580,000	0.21%	96
2017	730,000		730,000	0.25%	116
2016	875,000		875,000	0.30%	131
2015	1,025,000		1,025,000	0.34%	142
2014	1,165,000		1,165,000	0.38%	158

* Estimate

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-14.

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Maurice River	\$ 400,000	100%	\$ 400,000
Other Debt			
County of Cumberland - Township Share	93,661,798	3.1%	2,859,383
Subtotal, Overlapping Debt			<u>3,259,383</u>
Maurice River Township School District Direct Debt			
Total Direct and Overlapping Debt			<u><u>\$ 3,259,383</u></u>

Source Maurice River Township Finance Officer and Cumberland County Finance Office

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2022

		Equalized Valuation Basis
	2022	\$ 323,915,213
	2021	297,551,131
	2020	275,207,284
	[A]	\$ 896,673,628
Average Equalized Valuation of Taxable Property	[A/3]	\$ 298,891,209
Debt Limit (3% of Average Equalization Value)	[B]	8,966,736 a
Net Bonded School Debt	[C]	
Legal Debt Margin	[B-C]	\$ 8,966,736

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 9,683,869	\$ 9,324,282	\$ 9,062,095	\$ 8,917,840	\$ 8,657,935	\$ 8,499,611	\$ 8,334,864	\$ 8,314,981	\$ 8,505,365	\$ 8,966,736
Total Net Debt Applicable to Limit	1,165,000	1,025,000	875,000	730,000	580,000	430,000	285,000	140,000		
Legal Debt Margin	\$ 8,518,869	\$ 8,299,282	\$ 8,187,095	\$ 8,187,840	\$ 8,077,935	\$ 8,069,611	\$ 8,049,864	\$ 8,174,981	\$ 8,505,365	\$ 8,966,736
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.03%	10.99%	9.66%	8.19%	6.70%	5.06%	3.42%	1.68%	0.00%	0.00%

Source: Abstract of Ratables and District Records

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

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

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income (thousands of dollars)</u> ^b	<u>Per Capita Personal Income</u> ^c	<u>Unemployment Rate</u> ^d
2023	** 4,839	\$ 232,687,688	\$ 48,083	7.1%
2022	4,989	237,509,123	47,607	7.2%
2021	5,745	228,584,517	47,559	10.2%
2020	5,588	230,666,658	45,498	12.8%
2019	5,934	232,763,861	41,327	6.8%
2018	6,011	235,423,802	39,448	7.9%
2017	6,294	245,103,686	38,353	7.6%
2016	6,683	250,184,704	37,100	8.9%
2015	7,217	265,870,708	36,322	10.4%
2014	7,380	261,319,374	34,972	11.2%

** Estimate

Source:

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

^b Personal income

^c Per Capita

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

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

Employer	2023		2014	
	*Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Inspira Health Network	3,723	5.37%	2,837	4.18%
Americold formerly AGRO Merchants	375	0.54%		
F & S Produce/Pipcp Transportation	1,272	1.84%	525	0.77%
Wal-Mart	850	1.23%	806	1.19%
Durand Glass Manufacturing Co.	895	1.29%	970	1.43%
ShopRite	755	1.09%	737	1.09%
Wawa	780	1.13%	562	0.83%
Sheppard Bus Service	550	0.79%	520	0.77%
Northeast Precast	439	0.63%		
Elwyn New Jersey			518	0.76%
AJM Packaging	489	0.71%		
Seabrook Brothers & sons, Inc	261	0.38%	550	0.81%
Ardagh Group	372	0.54%		
Complete Care	312	0.45%		
South State, Inc	345	0.50%		
Corning Glass	281	0.41%		
Nipro Pharma Packaging Americas Corp.	307	0.44%		
Gerresheimer Glass			876	1.29%
	12,006	17.33%	8,901	13.11%

Source:

This information is for the County of Cumberland.

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	27.0	26	27	26.0	26.0	26.0	26.0	27.0	31.0	31.0
Special Education	7.0	7	6	5.0	5.0	5.0	7.0	8.0	7.0	6.0
Other Special Education										
Vocational										
Other Instruction	8.5	8.5	8.5	11.5	12.0	12.5	9.5	9.0	9.0	10.0
Support Services:										
Tuition										
Student & Instruction Related Services	5.2	5.2	5.7	6.1	6.1	6.1	6.2	6.2	5.9	7.0
General Administrative Services	1.4	1.4	1.1	1.1	1.08	1.08	1.07	1.07	1.07	1.08
School Administrative Services	0.8	0.8	1.8	1.5	1.72	1.72	1.73	1.73	1.73	1.73
Business Administrative Services	3.80	3.8	3.3	2.8	2.8	3.8	4.0	4.0	4.3	4.3
Plant Operations and Maintenance	5.1	5.1	4.6	4.6	5.0	5.0	4.0	5.0	5.0	5.0
Pupil Transportation	5.0	5.5	5	5.0	5.5	5.0	4.5	4.5	4.5	5.0
Food Service	3.5	2.4	2.4	2.9	3.0	3.5	3.5	3.0	4.0	4.0
Total	67.30	65.70	65.40	66.50	68.20	69.70	67.50	69.50	73.50	75.11

Source: District Personnel Records

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

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2023	390	\$ #REF!	\$ #REF!	#REF!	41.0	15 : 3	390.78	345.50	-2.31%	88.4%
2022	395	10,999,983	27,848	23.71%	38.0	16 : 1	400.00	358.08	-3.41%	89.5%
2021	393	10,017,036	25,489	13.23%	35.0	16 : 1	401.59	375.02	-3.03%	93.4%
2020	420	9,383,151	22,341	-0.76%	33.0	19 : 1	426.52	405.95	2.99%	95.2%
2019	408	9,395,014	23,027	2.29%	33.0	19 : 1	414.14	387.33	1.28%	93.5%
2018	398	8,959,353	22,511	6.60%	33.0	19 : 1	408.90	383.38	-4.31%	93.8%
2017	415	8,763,693	21,117	1.12%	33.0	20 : 1	427.30	398.10	4.37%	93.2%
2016	418	8,729,476	20,884	7.68%	33.0	20 : 1	409.40	385.50	-4.35%	94.2%
2015	424	8,223,364	19,395	-5.82%	33.0	20 : 1	428.00	397.00	1.18%	92.8%
2014	423	8,710,655	20,593	6.02%	34.0	19 : 1	423.00	394.00	-3.03%	93.1%
2013	433	8,410,035	19,423	-2.08%	31.5	22 : 1	436.20	393.20	10.88%	90.1%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>District Building</u>										
<u>Elementary</u>										
Maurice River Township Elementary										
Square Feet	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114	62,114
Capacity (students)	688	688	688	688	688	688	688	688	688	688
Enrollment	423	424	418	415	398	398	420	393	395	390
<u>Other</u>										
Administration Building/Maintenance Building										
Square Feet	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304	2,304

Number of Schools at June 30, 2023

 Elementary = 1

 Other = 1

Source: District records, ASSA

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

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

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

School Facilities	Gross Square Footage	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Maurice River Township Elementary School	62,114	\$ 423,675	\$ 117,382	\$ 354,455	\$ 96,299	#####	\$ 24,879	\$ 37,135	\$ 105,091	\$ 29,656	\$ 30,467
Total School Facilities		423,675	117,382	354,455	96,299	#####	24,879	37,135	105,091	29,656	30,467
Other Facilities	2,304										
Grand Total		\$ 423,675	\$ 117,382	\$ 354,455	\$ 96,299	#####	\$ 24,879	\$ 37,135	\$ 105,091	\$ 29,656	\$ 30,467

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
(UNAUDITED)

New Jersey School Boards Association Insurance Group

	<u>Coverage</u>	<u>Deductible</u>
Commercial Policy		
Property - Blanket Building and Contents Including Electronic Data Processing	\$ 15,094,285	\$ 1,000
Comprehensive General Liability	6,000,000	1,000
Boiler and Machinery	10,000,000	25,000
Comprehensive Automobile Liability	6,000,000	1,000
Comprehensive Crime Theft Coverage	100,000	1,000/500
Board of Education Legal Liability	6,000,000	5,000
Pollution Legal Liability - per event	1,000,000	50,000
Commercial Inland Marine	250,000	1,000
Hiscox Insurance Company, Inc		
Cyber Liability Coverage	1,000,000	
Workers Compensation:		
Each Accident	3,000,000	
Disease each employee	3,000,000	
Disease aggregate	3,000,000	
Federal Insurance Company		
Workers Compensation Supplemental	2,500	Temp Total Disability Weekly Benefit Amount
Berkley Insurance Company		
Compulsory Student Accident Coverage	1,000,000	
US Fire Insurance Company		
Catastrophic Student Accident Coverage	5,000,000	25,000
Selective Insurance Company of America		
Treasurer's Bond	180,000	
The Ohio Casualty Insurance Company		
Business Administrator's Bond	10,000	

Source: District Records

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Maurice River Township School District's basic financial statements, and have issued our report thereon dated December 5, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 5, 2023

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 as prescribed by the Office of School Finance, *Department of Education, State of New Jersey*, and New Jersey 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 Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey'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*, Uniform Guidance and New Jersey 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 The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey'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 The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Maurice River Township School District, in the County of Cumberland, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
December 5, 2023

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022:			Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Balance at June 30, 2023			
					From	To	(Accounts Receivable)	Deferred Revenue	Cash Received				(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Agriculture																
Passed-through State Department of Education: Enterprise Fund:																
Non-Cash Assistance:																
Food Distribution Program	10.565	221NJ304N1099	N/A	\$17,147	7/1/22	6/30/23			\$ 17,147	\$ (15,796)	\$ (15,796)		\$ 1,351			
Food Distribution Program	10.565	211NJ304N1099	N/A	17,246	7/1/21	6/30/22		\$ 918		(918)	(918)					
Child Nutrition Cluster:																
Cash Assistance:																
School Breakfast Program	10.553	221NJ304N1099	N/A	28,748	7/1/22	6/30/23			23,257	(28,748)	(28,748)	\$ (5,491)				
School Breakfast Program	10.553	211NJ304N1099	N/A	95,101	7/1/21	6/30/22	\$ (7,627)		7,627							
National School Lunch Program	10.555	221NJ304N1099	N/A	93,049	7/1/22	6/30/23			76,669	(93,049)	(93,049)	(16,380)				
National School Lunch Program	10.555	211NJ304N1099	N/A	211,809	7/1/21	6/30/22	(17,360)		17,360							
Emergency Operational Cost Program	10.555	202121H170341	N/A		7/1/22	6/30/23										
P-EBT Administrative Cost Reimb.	10.649	2022225900941	N/A	653	7/1/22	6/30/23				(653)	(653)	(653)				
Supply Chain Assistance Funding	10.555	221NJ344N8903	N/A	6,436	7/1/21	6/30/22	(6,436)		6,436							
Supply Chain Assistance Funding	10.555	221NJ344N8903	N/A	6,165	7/1/21	6/30/22			6,165	(6,165)	(6,165)					
Supply Chain Assistance Funding 2	10.555	221NJ344N8903	N/A	11,888	7/1/22	6/30/23			11,888	(11,888)	(11,888)					
Supply Chain Assistance Funding 3	10.555	221NJ344N8903	N/A	8,107	7/1/22	6/30/23			8,107	(8,107)	(8,107)					
Total U.S. Department of Agriculture																
							(31,423)	918	174,656	(165,324)		(165,324)	(22,524)	1,351		
U.S. Department of Education																
Passed-through State Department of Education: Special Revenue Fund:																
E.S.E.A.:																
Title I, Part A	84.010A	S010A220030	ESEA - 3050-23	96,716	7/1/22	9/30/23			96,716	(96,716)	(96,716)					
Title II Part A	84.367A	S367A220029	ESEA - 3050-23	14,481	7/1/22	9/30/23			14,481	(14,481)	(14,481)					
Title IV, Part A	84.424A	S424A220031	ESEA - 3050-23	10,000	7/1/22	9/30/23			10,000	(10,000)	(10,000)					
IDEA Cluster:																
I.D.E.A. Part B, Basic Regular	84.027A	H027A220100	IDEA - 3050-23	123,061	7/1/22	9/30/23			32,614	(123,061)	(123,061)	(90,447)				
I.D.E.A. Part B, Pre-School	84.173	H173A220114	IDEAPS - 3050-23	3,961	7/1/22	9/30/23			1,049	(3,961)	(3,961)	(2,912)				
Education Stabilization Fund:																
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES-3050-22	84,785	3/13/20	9/30/22										
CRRSA:																
ESSER II	84.425D	S425D210027	CRRSA-3050-23	347,597	3/13/20	9/30/23	(24,329)		42,912	(17,852)	(17,852)		731			
Mental Health	84.425D	S425D210027	CRRSA-3050-23	45,000	3/13/20	9/30/23										
Learning Accelerated	84.425D	S425D210027	CRRSA-3050-23	25,000	3/13/20	9/30/23										
ARP:																
ESSER III	84.425U	S425U210027	ARP-3050-24	781,202	3/13/20	9/30/24	(252,284)		704,832	(456,471)	(456,471)	(3,923)				
Beyond the School Day	84.425U	S425U210027	ARP-3050-24	40,000	3/13/20	9/30/24	(9,674)		10,643	(20,267)	(20,267)	(19,298)				
Learning Instruction	84.425U	S425U210027	ARP-3050-24	50,000	3/13/20	9/30/24	(29,770)		41,039	(27,269)	(27,269)	(16,000)				
Summer Learning	84.425U	S425U210027	ARP-3050-24	40,000	3/13/20	9/30/24	(3,830)		37,761	(33,931)	(33,931)					
NJTSS Mental Health Support	84.425U	S425U210027	ARP-3050-24	45,000	3/13/20	9/30/24	(39,465)		39,991	(4,630)	(4,630)	(4,104)				
NJSDA Emergent Capital Maint	84.425D	S425D210027	ARP-3050-24	9,387	7/1/21	6/30/22			9,387	(9,387)	(9,387)					
Small Rural Achievement Program	84.358A	S358A194321	REAP - 3050-21	32,679	7/1/22	9/30/23			32,679	(32,679)	(32,679)					
Total U.S. Department of Education																
							(359,352)		1,074,104	(850,705)		(850,705)	(136,684)	731		
Total Federal Financial Awards																
							\$ (390,775)	\$ 918	\$ 1,248,760	\$ (1,016,029)		\$ (1,016,029)	\$ (159,208)	\$ 2,082		

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

See accompanying notes to schedules of financial assistance
 These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022					Balance at June 30, 2023			MEMO		
			From	To	(Accounts Receivable)	Unearned Revenue	Due to Grantor	Carry Over	Cash Received	Budgetary Expenditures	(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Equalization Aid	23-495-034-5120-078	\$ 3,849,474	7/1/22	6/30/23						\$ 3,494,395	\$ (3,849,474)	(355,079)	\$ -	* \$ (355,079)	\$ (3,849,474)
Security Aid	23-495-034-5120-084	123,438	7/1/22	6/30/23					112,052	(123,438)	(11,386)			* (11,386)	(123,438)
Special Education Categorical Aid	23-495-034-5120-089	332,611	7/1/22	6/30/23					301,931	(332,611)	(30,680)			* (30,680)	(332,611)
Transportation Aid	23-495-034-5120-014	345,391	7/1/22	6/30/23					313,532	(345,391)	(31,859)			* (31,859)	(345,391)
School Choice	23-495-034-5120-068	466,578	7/1/22	6/30/23					423,541	(466,578)	(43,037)			* (43,037)	(466,578)
Extraordinary Aid	22-100-034-5120-473	48,551	7/1/22	6/30/23						(48,551)	(48,551)			* (48,551)	(48,551)
Maintenance of Equity Aid	23-495-034-5120-128	116,632	7/1/22	6/30/23						(116,632)	(116,632)			* (116,632)	(116,632)
Securing Our Children's Future Bond Act	N/A	20,000	7/1/21	6/30/22	\$ (20,000)				20,000						
Non-Public Transportation Aid	23-495-034-5120-014	3,744	7/1/22	6/30/23						(3,744)	(3,744)			* (3,744)	(3,744)
Non-Public Transportation Aid	22-495-034-5120-014	1,450	7/1/21	6/30/22	(1,740)				1,740						
Reimbursed TPAF SS Contribution	23-495-034-5094-003	227,141	7/1/22	6/30/23					205,911	(227,141)	(21,230)			* (21,230)	(227,141)
Reimbursed TPAF SS Contribution	22-495-034-5094-003	191,829	7/1/21	6/30/22	(9,749)				9,749						
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	899,928	7/1/22	6/30/23					899,928	(899,928)				* (899,928)	(899,928)
On-Behalf TPAF Post Retirement Medical	23-495-034-5094-001	236,409	7/1/22	6/30/23					236,409	(236,409)				* (236,409)	(236,409)
On-Behalf TPAF LTDI (Non-budgeted)	23-495-034-5094-004	367	7/1/22	6/30/23					367	(367)				* (367)	(367)
Total General Fund					(31,489)				6,019,555	(6,650,264)	(662,198)				(6,650,264)
Special Revenue Fund:															
Preschool Education Aid	23-495-034-5120-086	796,080	7/1/22	6/30/23					716,472	(796,304)	(79,608)	\$ 10,184		* (79,608)	(796,304)
Preschool Education Aid	22-495-034-5120-086	729,771	7/1/21	6/30/22	(62,491)	\$ 10,408		\$ 10,408	62,491						
Climate Awareness Grant	23E00370	6,660	7/1/22	6/30/23					6,660	(6,660)				* (6,660)	(6,660)
Total Special Revenue Fund					(62,491)	10,408			785,623	(802,964)	(79,608)	10,184			(802,964)
Debt Service Fund:															
Debt Service Aid Type II	23-495-034-5120-017		7/1/22	6/30/23										* (367)	
Total Debt Service Fund															
State Department of Agriculture															
Enterprise Fund:															
State School Breakfast Program	23-100-010-3350-023	571	7/1/22	6/30/23					466	(571)	(105)			* (105)	(571)
State School Lunch Program	23-100-010-3350-023	3,485	7/1/22	6/30/23					2,862	(3,485)	(623)			* (623)	(3,485)
State School Lunch Program	22-100-010-3350-023	4,977	7/1/21	6/30/22	(400)				400						
Total Enterprise Fund					(400)				3,728	(4,056)	(728)				(4,056)
Total State Financial Assistance					(\$94,380)	\$10,408			\$6,808,906	(\$7,457,284)	(\$742,534)	\$10,184		(\$551,649)	(\$7,457,284)
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	899,928	7/1/22	6/30/23					\$ 899,928	\$ (899,928)					
On-Behalf TPAF Post Retirement Medical	23-495-034-5094-001	236,409	7/1/22	6/30/23					236,409	(236,409)					
On-Behalf TPAF LTDI (Non-budgeted)	23-495-034-5094-004	367	7/1/22	6/30/23					367	(367)					
Total State Financial Assistance - Major Program Determination									\$ 5,672,202	\$ (6,320,580)					

See accompanying notes to schedules of financial assistance

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 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, Township of Maurice River School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

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

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$5,075) for the general fund and (\$28,782) for the special revenue fund. See Note 2 [the Notes to Required Supplementary Information] for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

TOWNSHIP OF MAURICE RIVER SCHOOL DISTRICT
NOTES FOR SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2023
(Continued)

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

	Federal	State	Total
General Fund	\$	\$ 6,645,189	\$ 6,645,189
Special Revenue Fund	850,705	774,182	1,624,887
Debt Service			
Food Service Fund	<u>165,757</u>	<u>4,056</u>	<u>169,813</u>
Total Awards & Financial Assistance	\$ <u>1,016,462</u>	\$ <u>7,423,427</u>	\$ <u>8,439,889</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Township of Maurice River School District had no loan balances outstanding at June 30, 2023.

NOTE 6: OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 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.

NOTE 7: SCHOOL-WIDE PROGRAM FUNDS

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

NOTE 8: ADJUSTMENTS

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

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted?

_____ yes X no

Federal Awards

Internal control over major programs:

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

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a)?

_____ yes X no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
84.425D	S425D200027	Education Stabilization Fund: CRRSA Consolidated ARP Consolidated
84.425U	S425U210027	

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

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

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

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

State Awards

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

Auditee qualified as low-risk auditee? X yes no

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
23-495-034-5120-078	Equalization Aid
23-495-034-5120-089	Special Education Categorical Aid
23-495-034-5120-084	Security Aid
23-495-034-5120-068	School Choice Aid
23-495-034-5120-014	Transportation Aid

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

Section II - Financial Statement Findings

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

Finding: N/A

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

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

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

FEDERAL AWARDS

Finding: None

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

**MAURICE RIVER TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

STATUS OF PRIOR - YEAR FINDINGS

None