

**MAYWOOD BOARD OF EDUCATION**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**MAYWOOD, NEW JERSEY**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**Maywood Board of Education**

**Maywood, New Jersey**

**For The Fiscal Year Ended June 30, 2023**

**Prepared by**

**Business Office**

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## INTRODUCTORY SECTION

**MAYWOOD BOARD OF EDUCATION**  
**452 Maywood Avenue**  
**Maywood, NJ 07607**

**Jennifer Pfohl**  
**School Business Administrator/  
Board Secretary**

**Phone (201)843-4598**  
**Fax (201)843-2744**

February 6, 2024

Honorable President and  
Members of the Board of Education  
Maywood School District  
County of Bergen, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Maywood 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 organization chart and a list of principal officials. The financial section includes the basic financial statements and required supplementary information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Uniform Guidance and New Jersey OMB 15-08 Circular, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid" and are not a required part of the basic financial statements. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**REPORTING ENTITY AND ITS SERVICES:** Maywood School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Maywood Board of Education and both of its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular and special education for handicapped youngsters. The District completed the 2022/2023 fiscal year with an average daily enrollment of 953 students, which is increase of 9 students over the previous year's average daily enrollment. The following details the changes in the student enrollment of the District over the last ten years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	
	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	953	4.83%
2021-2022	944	-3.48%
2020-2021	978	-1.81%
2019-2020	996	-1.94%
2018-2019	977	0.001%
2017-2018	976	0.93%
2016-2017	967	2.22%
2015-2016	945	-2.10%
2014-2015	965	1.26%
2013-2014	953	4.27 %

## **ECONOMIC OUTLOOK AND MAJOR INITIATIVES:**

Maywood will continue its focus on technology through further investment in Chromebook and Promethean technology and online learning tools. All teachers are fully linked with Google Classroom and Go Guardian for student support. The district has invested in a district technology coordinator that will assist with technology needs as well as data mining. Linked professional development sessions for district staff that will provide turnkey technology professional development will also fall within this domain. These programs will be implemented by members of the team along with staff who seek to progress to the level of teacher trainer. The district is also focusing its professional development initiatives on that of ELL training for regular education and special education staff as well as a district focus on that of mindfulness training for staff. The major technology thrust will also include a shift to the NWEA - MAP testing platform and related IXL and MobyMax supplemental programs. This is linked to the District's investment in a district wide RTI implementation that leans heavily on the data trends from the aforementioned projects. Maywood has added a Supervisor of Curriculum and Instruction position. Curricular expansion includes the shift to a new math program series that aligns with our sending high school district as well as the adoption of a science textbook series to align with our Mystery Science and Lab Aids focus. The voters of Maywood approved a \$22M referendum in March of 2023 authorizing roofing repairs/replacements, HVAC upgrades and the addition of 6 classrooms. This initiative will be linked to Becton's proposed expansion that includes a grades 9-12 autistic program that will extend Maywood's K-8 program through high school grade levels.

**INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

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

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

**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 1. 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 Government 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.

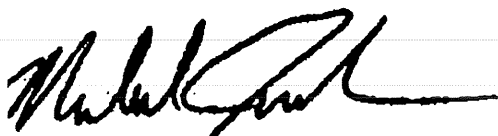


**RISK MANAGEMENT:** The Board carried various forms of insurance, including, but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**OTHER INFORMATION:** Independent Audit - State statutes require and annual audit by independent certified public accountant or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also designed to meet the requirements of the Single Audit Act, U.S. Uniform Guidance and state Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

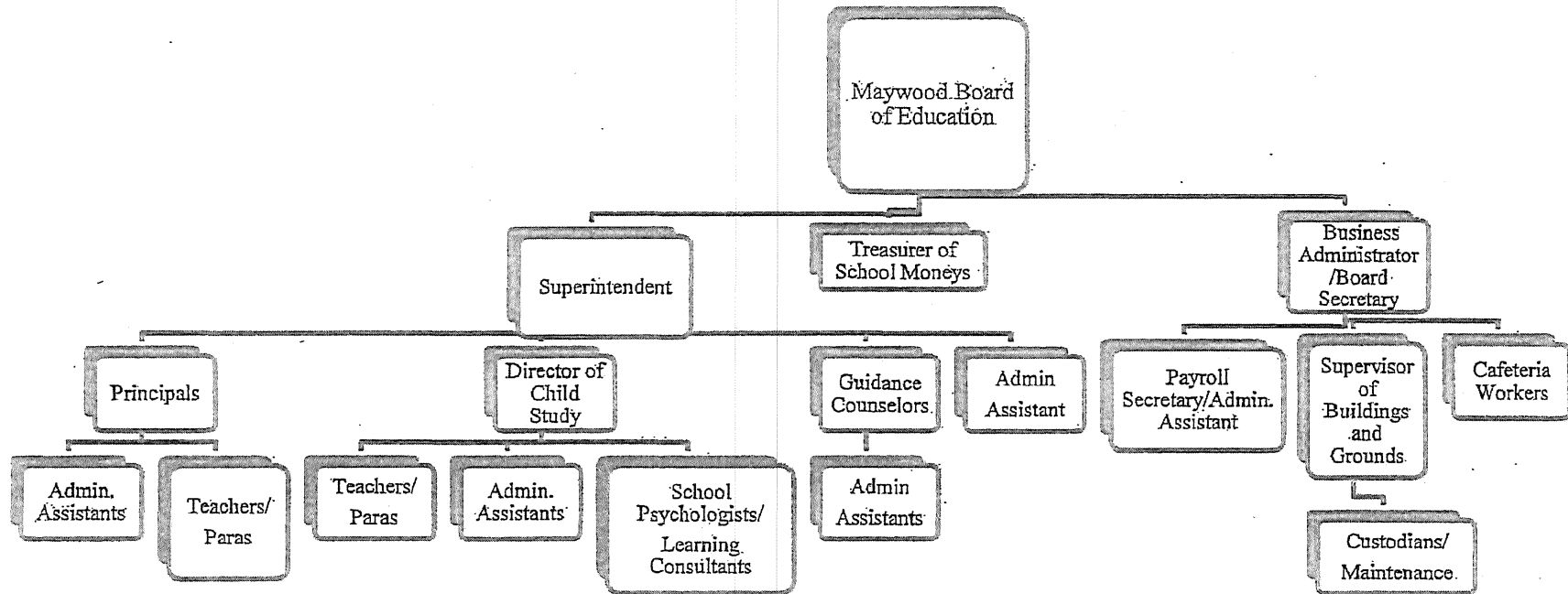


Michael Jordan  
Superintendent



Jennifer Pfohl  
Board Secretary/Business Administrator

# Organizational Chart



**MAYWOOD BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2023**

**MEMBERS OF THE BOARD OF EDUCATION**                      **TERM EXPIRES**

KEVIN TAYLOR, PRESIDENT	2024
JULIO BENDEZU, VICE PRESIDENT	2024
FRANK CILENTO	2025
GINA-MARIE KIELY	2023
CLAIRE PADOVANO	2023
GENEVIEVE STELTER	2024
RAY VELEZ	2025

**OTHER OFFICIALS**

MICHAEL JORDAN, SUPERINTENDENT OF SCHOOLS

JENNIFER PFOHL, BUSINESS ADMINISTRATOR/BOARD SECRETARY

CHARLEY HANGLEY, TREASURER OF SCHOOL MONIES

**MAYWOOD BOARD OF EDUCATION  
CONSULTANTS AND ADVISORS**

**ARCHITECT**

**Lan Associates  
445 Godwin Avenue  
Midland Park, NJ 07432**

**AUDIT FIRM**

**Lerch, Vinci & Bliss, LLP  
17 - 17 Route 208  
Fair Lawn, NJ 07410**

**ATTORNEY**

**Fogarty & Hara  
16-00 Route 208 South  
Fair Lawn, NJ 07410**

**OFFICIAL DEPOSITORY**

**TD Bank  
560 Maywood Ave.  
Maywood, NJ 07607**

**FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Maywood Board of Education  
Maywood, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Maywood Board of Education, as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Maywood Board of Education as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Maywood Board of Education 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Maywood Board of Education'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 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, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Maywood Board of Education'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 Maywood Board of Education's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

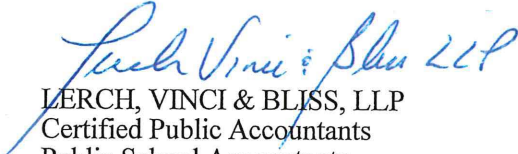
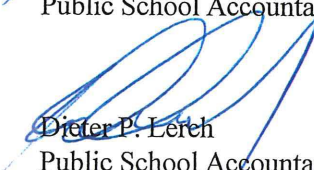
**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section 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 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 February 6, 2024 on our consideration of the Maywood Board of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Maywood 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 Government Auditing Standards in considering the Maywood Board of Education’s internal control over financial reporting and compliance.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants  
  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 6, 2024



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

This section of Maywood Board of Education's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflows of resources of the Maywood Board of Education exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$7,416,200 (net position).
- Overall District revenues were \$28,694,694. General revenues accounted for \$21,450,709 or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$7,243,985 of total revenues.
- The School District had \$28,217,175 in expenses for governmental activities; only \$6,840,215 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$21,450,709 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$3,303,115 a decrease of \$900,663 when compared to the ending fund balance at June 30, 2022 of \$4,203,778.
- The General Fund unassigned fund balance at June 30, 2023 was in a surplus position of \$371,519, a decrease of \$376,756 when compared with the ending fund balance surplus of \$748,275 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$761,118 which represents a decrease of \$496,983 when compared to the ending unassigned fund balance at June 30, 2022 of \$1,258,101.

# MAYWOOD BOARD OF EDUCATION

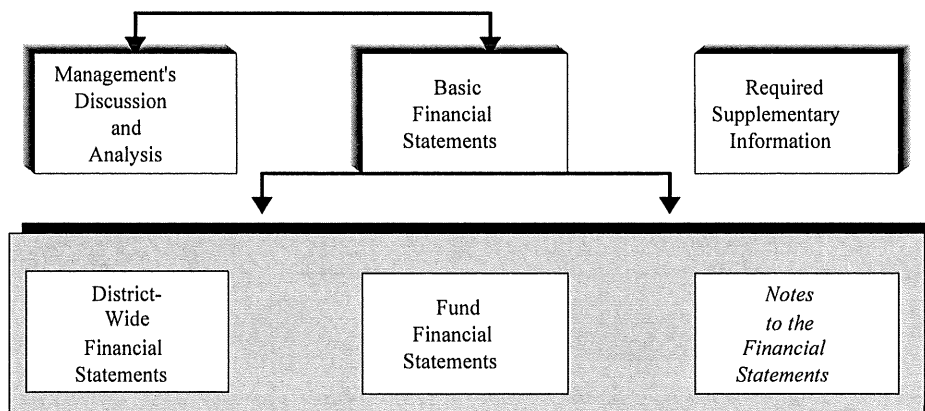
## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The table below shows how the various parts of this annual report are arranged and related to one another.



# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are summarized below. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### District-Wide Financial Statements

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

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

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

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund is included here.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or “major” funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

### Notes to the Financial Statements

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

### Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and post-retirement medical benefits as required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons if required.

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,416,200 and \$7,318,204 as of June 30, 2023 and 2022, respectively, as shown below.

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

#### Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$ 4,716,796	\$ 5,076,219	\$ 88,353	\$ 72,730	\$ 4,805,149	\$ 5,148,949
Capital Assets	<u>14,779,378</u>	<u>14,868,617</u>	<u>2,170</u>	<u>4,340</u>	<u>14,781,548</u>	<u>14,872,957</u>
<b>Total Assets</b>	<u>19,496,174</u>	<u>19,944,836</u>	<u>90,523</u>	<u>77,070</u>	<u>19,586,697</u>	<u>20,021,906</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts on Refunding of Debt	221,750	256,135			221,750	256,135
Deferred Amounts on Net Pension Liability	<u>131,884</u>	<u>103,755</u>	<u>-</u>	<u>-</u>	<u>131,884</u>	<u>103,755</u>
<b>Total Deferred Outflows</b>	<u>353,634</u>	<u>359,890</u>	<u>-</u>	<u>-</u>	<u>353,634</u>	<u>359,890</u>
<b>Total Assets and Deferred Outflows</b>	<u>19,849,808</u>	<u>20,304,726</u>	<u>90,523</u>	<u>77,070</u>	<u>19,940,331</u>	<u>20,381,796</u>
<b>Liabilities</b>						
Long-Term Liabilities	10,475,280	10,826,115			10,475,280	10,826,115
Other Liabilities	<u>1,510,099</u>	<u>977,689</u>	<u>13,231</u>	<u>24,887</u>	<u>1,523,330</u>	<u>1,002,576</u>
<b>Total Liabilities</b>	<u>11,985,379</u>	<u>11,803,804</u>	<u>13,231</u>	<u>24,887</u>	<u>11,998,610</u>	<u>11,828,691</u>
<b>Deferred Inflows of Resources</b>						
Deferred Amounts on Net Pension Liability	524,263	1,234,505			524,263	1,234,505
Deferred Commodities Revenue	<u>-</u>	<u>-</u>	<u>1,258</u>	<u>396</u>	<u>1,258</u>	<u>396</u>
<b>Total Deferred Inflows</b>	<u>524,263</u>	<u>1,234,505</u>	<u>1,258</u>	<u>396</u>	<u>525,521</u>	<u>1,234,901</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>12,509,642</u>	<u>13,038,309</u>	<u>14,489</u>	<u>25,283</u>	<u>12,524,131</u>	<u>13,063,592</u>
<b>Net Position</b>						
Net Investment in Capital Assets	6,821,901	6,207,108	2,170	4,340	6,824,071	6,211,448
Restricted	939,490	1,398,566			939,490	1,398,566
Unrestricted	<u>(421,225)</u>	<u>(339,257)</u>	<u>73,864</u>	<u>47,447</u>	<u>(347,361)</u>	<u>(291,810)</u>
<b>Total Net Position</b>	<u>\$ 7,340,166</u>	<u>\$ 7,266,417</u>	<u>\$ 76,034</u>	<u>\$ 51,787</u>	<u>\$ 7,416,200</u>	<u>\$ 7,318,204</u>

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 87,406	\$ 58,973	\$ 219,861	\$ 26,500	\$ 307,267	\$ 85,473
Operating Grants and Contributions	6,752,809	5,842,667	183,909	373,737	6,936,718	6,216,404
General Revenues						
Property Taxes	20,859,985	20,544,387			20,859,985	20,544,387
State Aid	324,904	325,309			324,904	325,309
Investment Earnings	53,242	2,050	-	-	53,242	2,050
Miscellaneous	212,578	108,504	-	-	212,578	108,504
<b>Total Revenues</b>	<u>28,290,924</u>	<u>26,881,890</u>	<u>403,770</u>	<u>400,237</u>	<u>28,694,694</u>	<u>27,282,127</u>
<b>Expenses</b>						
Instruction						
Regular	11,886,027	12,378,947			11,886,027	12,378,947
Special Education	6,463,582	5,032,016			6,463,582	5,032,016
Other Instruction	689,986	642,684			689,986	642,684
School Sponsored Activities and Athletics	194,455	140,441			194,455	140,441
Support Services						
Student and Instruction Related Services	3,154,402	2,763,601			3,154,402	2,763,601
General Administration Services	678,976	587,537			678,976	587,537
School Administration Services	662,599	546,162			662,599	546,162
Plant Operation and Maintenance	2,305,935	2,631,877			2,305,935	2,631,877
Pupil Transportation	1,353,986	902,562			1,353,986	902,562
Central Services	556,134	525,553			556,134	525,553
Interest and Other Chgs on Long-Term Debt	271,093	297,452			271,093	297,452
Food Service	-	-	379,523	373,332	379,523	373,332
<b>Total Expenses</b>	<u>28,217,175</u>	<u>26,448,832</u>	<u>379,523</u>	<u>373,332</u>	<u>28,596,698</u>	<u>26,822,164</u>
Change in Net Position	73,749	433,058	24,247	26,905	97,996	459,963
Net Position, Beginning of Year	<u>7,266,417</u>	<u>6,833,359</u>	<u>51,787</u>	<u>24,882</u>	<u>7,318,204</u>	<u>6,858,241</u>
Net Position, End of Year	<u>\$ 7,340,166</u>	<u>\$ 7,266,417</u>	<u>\$ 76,034</u>	<u>\$ 51,787</u>	<u>\$ 7,416,200</u>	<u>\$ 7,318,204</u>



# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### Governmental Activities

The financial position of the District improved significantly. However, maintaining existing programs with decreased enrollment, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 11,886,027	\$ 12,378,947	\$ 9,945,592	\$ 10,555,268
Special Education	6,463,582	5,032,016	3,401,841	2,589,062
Other Instruction	689,986	642,684	526,638	494,107
School Sponsored Activities and Athletics	194,455	140,441	(2,005)	67,073
Support Services		-		
Student and Instruction Related Services	3,154,402	2,763,601	2,331,791	1,978,116
General Administration	678,976	587,537	576,762	493,619
School Administration Services	662,599	546,162	540,079	434,617
Plant Operation and Maintenance	2,305,935	2,631,877	2,189,659	2,501,716
Pupil Transportation	1,353,986	902,562	1,141,965	707,389
Central Services	556,134	525,553	453,545	428,773
Interest and Other Charges on Long-Term Debt	<u>271,093</u>	<u>297,452</u>	<u>271,093</u>	<u>297,452</u>
<b>Total</b>	<b><u>\$ 28,217,175</u></b>	<b><u>\$ 26,448,832</u></b>	<b><u>\$ 21,376,960</u></b>	<b><u>\$ 20,547,192</u></b>

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### **Governmental Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$3,303,115, a decrease of \$900,663 from last year's fund balance of \$4,203,778.

Revenues and other financing sources for the District's governmental funds were \$28,357,787; total expenditures and other financing uses were \$29,258,450.

**General Fund** - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

Revenues and other financing sources of the General Fund were \$26,171,783 for the fiscal year ended June 30, 2023. State sources amounted to \$5,799,285, other financing sources totaled \$3,902 and local sources were \$20,368,596.

Expenditures and other financing uses of the General Fund were \$26,642,881. Instructional expenditures were \$18,450,477, for support services were \$7,683,623, capital expenditures totaled \$280,826 and debt service expenditures were \$207,955 for the fiscal year ended June 30, 2023.

**Special Revenue Fund** - The Special Revenue Fund includes all restricted Federal and State sources utilized in the operations of the district in providing educational services to students with special needs.

Revenues of the Special Revenue Fund were \$1,408,795 for the fiscal year ended June 30, 2023. Federal sources totaled \$1,321,389 and local sources were \$87,406.

Expenditures of the Special Revenue Fund were \$1,407,983. Instructional expenditures were \$946,402, and support services were \$461,581 for the fiscal year ended June 30, 2023.

**Capital Projects** - The capital projects expenditures and other financing uses exceeded revenues by \$430,377 decreasing the fund balance from \$2,693 at June 30, 2022 to a deficit balance of \$427,684 at June 30, 2023.

#### **Proprietary Funds**

The District maintains an Enterprise Fund to account for activities, which are supported in part through user fees.

# MAYWOOD BOARD OF EDUCATION

## Management's Discussion and Analysis

**Enterprise Fund** - The District uses Enterprise Funds to report activities related to the Food Services program. The District's Enterprise Fund provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

### GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into the following categories

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.
- Appropriation of Capital Reserve

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 and 2022 amounts to \$14,781,548 and \$14,872,957 (net of accumulated depreciation), respectively. The capital assets consist of land, buildings, building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for the fiscal year 2022-2023 amounted to \$797,749 for governmental activities and \$2,170 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 15,522	\$ 15,522	\$ -	\$ -	\$ 15,522	\$ 15,522
Construction in Progress	427,684	-			427,684	-
Buildings & Building Impvts	13,554,785	14,227,108			13,554,785	14,227,108
Machinery and Equipment	<u>781,387</u>	<u>625,987</u>	<u>2,170</u>	<u>4,340</u>	<u>783,557</u>	<u>630,327</u>
<b>Total</b>	<u>\$ 14,779,378</u>	<u>\$ 14,868,617</u>	<u>\$ 2,170</u>	<u>\$ 4,340</u>	<u>\$ 14,781,548</u>	<u>\$ 14,872,957</u>

Additional information on the District's capital assets are presented in the Notes to the Financial Statements.

# **MAYWOOD BOARD OF EDUCATION**

## **Management's Discussion and Analysis**

### **LONG TERM LIABILITIES**

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$261,344, serial bonds of \$6,258,117 (including unamortized premium), capital financing agreements of \$1,921,110, and net pension liability of \$2,034,709 totaling \$10,475,280. This is in comparison to long-term liabilities at June 30, 2022 of \$10,826,115 or a decrease of \$350,835.

Additional information on the District's long-term liabilities are presented in the Notes to the Financial Statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Many factors were considered by the District's administration during the process of developing the fiscal year 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs. Other budgetary increases are anticipated with special education, and utilizes the required investment to repair the District's aging facilities.

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Maywood Board of Education, 452 Maywood Avenue, Maywood, NJ 07607.

**FINANCIAL STATEMENTS**

**MAYWOOD BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,223,078	\$ 48,500	\$ 4,271,578
Receivables, net			
Receivables from Other Governments	466,772	7,840	474,612
Other	26,946	21,645	48,591
Inventory		10,368	10,368
Capital Assets, Not Being Depreciated	443,206		443,206
Capital Assets, Being Depreciated	14,336,172	2,170	14,338,342
	<u>19,496,174</u>	<u>90,523</u>	<u>19,586,697</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Refunding of Debt	221,750		221,750
Deferred Amounts on Net Pension Liability	131,884	-	131,884
	<u>353,634</u>	<u>-</u>	<u>353,634</u>
Total Assets and Deferred Outflows of Resources	<u>19,849,808</u>	<u>90,523</u>	<u>19,940,331</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	1,413,681	5,904	1,419,585
Unearned Revenue		7,327	7,327
Accrued Interest Payable	96,418		96,418
Noncurrent Liabilities			
Due Within One Year	749,897		749,897
Due Beyond One Year	9,725,383		9,725,383
	<u>11,985,379</u>	<u>13,231</u>	<u>11,998,610</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amounts on Net Pension Liability	524,263		524,263
Deferred Commodities Revenue		1,258	1,258
	<u>524,263</u>	<u>1,258</u>	<u>525,521</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,509,642</u>	<u>14,489</u>	<u>12,524,131</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	6,821,901	2,170	6,824,071
Restricted for:			
Capital Projects	556,218		556,218
Maintenance	250,000		250,000
Unemployment Compensation	113,641		113,641
Student Activities	19,631		19,631
Unrestricted	(421,225)	73,864	(347,361)
Total Net Position	<u>\$ 7,340,166</u>	<u>\$ 76,034</u>	<u>\$ 7,416,200</u>

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

**MAYWOOD BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 11,886,027		\$ 1,940,435		\$ (9,945,592)		\$ (9,945,592)
Special Education	6,463,582		3,061,741		(3,401,841)		(3,401,841)
Other Instruction	689,986		163,348		(526,638)		(526,638)
School Sponsored Activities and Athletics	194,455	\$ 87,406	109,054		2,005		2,005
Support Services							
Student and Instruction Related Svcs.	3,154,402		822,611		(2,331,791)		(2,331,791)
General Administrative Services	678,976		102,214		(576,762)		(576,762)
School Administrative Services	662,599		122,520		(540,079)		(540,079)
Plant Operations and Maintenance	2,305,935		116,276		(2,189,659)		(2,189,659)
Pupil Transportation	1,353,986		212,021		(1,141,965)		(1,141,965)
Central Services	556,134		102,589		(453,545)		(453,545)
Interest and Other Charges on Debt	271,093				(271,093)		(271,093)
<b>Total Governmental Activities</b>	<b>28,217,175</b>	<b>87,406</b>	<b>6,752,809</b>	<b>-</b>	<b>(21,376,960)</b>	<b>-</b>	<b>(21,376,960)</b>
<b>Business-Type Activities</b>							
Food Service	379,523	219,861	183,909	-		\$ 24,247	24,247
<b>Total Business-Type Activities</b>	<b>379,523</b>	<b>219,861</b>	<b>183,909</b>	<b>-</b>	<b>-</b>	<b>24,247</b>	<b>24,247</b>
<b>Total Primary Government</b>	<b>\$28,596,698</b>	<b>\$ 307,267</b>	<b>\$ 6,936,718</b>	<b>\$ -</b>	<b>(21,376,960)</b>	<b>24,247</b>	<b>(21,352,713)</b>
<b>General Revenues:</b>							
Property Taxes, Levied for General Purposes, Net					20,103,985		20,103,985
Taxes Levied for Debt Service					756,000		756,000
State Aid, Unrestricted					324,904		324,904
Investment Earnings					53,242		53,242
Miscellaneous Income					212,578		212,578
<b>Total General Revenues</b>					<b>21,450,709</b>	<b>-</b>	<b>21,450,709</b>
Change in Net Position					73,749	24,247	97,996
Net Position, Beginning of Year					7,266,417	51,787	7,318,204
Net Position, End of Year					<b>\$ 7,340,166</b>	<b>\$ 76,034</b>	<b>\$ 7,416,200</b>

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

**FUND FINANCIAL STATEMENTS**



**MAYWOOD BOARD OF EDUCATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 3,761,038	\$ 19,631	\$ 442,409		\$ 4,223,078
Due from Other Funds	254,195				254,195
Receivables, Net					
Intergovernmental	151,972	314,800			466,772
Other	26,946		-		26,946
Total Assets	<u>\$ 4,194,151</u>	<u>\$ 334,431</u>	<u>\$ 442,409</u>	<u>\$ -</u>	<u>\$ 4,970,991</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 424,490	\$ 127,634	\$ 361,864		\$ 913,988
Intergovernmental Payable	36,631				36,631
Deposits Payable			441,200		441,200
Payroll Deductions	21,862				21,862
Due to Other Funds	-	187,166	67,029	-	254,195
Total Liabilities	<u>482,983</u>	<u>314,800</u>	<u>870,093</u>	<u>-</u>	<u>1,667,876</u>
<b>Fund Balances</b>					
<b>Restricted for</b>					
Capital Reserve	913,902				913,902
Capital Reserve - Designated for Subsequent Year's Expenditures	70,000				70,000
Maintenance Reserve	225,000				225,000
Maintenance Reserve - Designated for Subsequent Year's Expenditures	25,000				25,000
Excess Surplus	572,741				572,741
Excess Surplus -Designated for Subsequent Year's Expenditures	598,524				598,524
Capital Projects			(427,684)		(427,684)
Unemployment Compensation	113,641				113,641
Student Activities		19,631			19,631
<b>Assigned</b>					
Designated for Subsequent Year's Expenditures	779,304				779,304
Year-End Encumbrances	41,537				41,537
Unassigned, Reported in General Fund	<u>371,519</u>				<u>371,519</u>
Total Fund Balances	<u>3,711,168</u>	<u>19,631</u>	<u>(427,684)</u>	<u>-</u>	<u>3,303,115</u>
Total Liabilities and Fund Balances	<u>\$ 4,194,151</u>	<u>\$ 334,431</u>	<u>\$ 442,409</u>	<u>\$ -</u>	

The accompanying Notes to the Financial Statements are an Integral Part of this Statement

MAYWOOD BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2023

**Total Fund Balances (Exhibit B-1)** \$ 3,303,115

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$26,419,694 and the accumulated depreciation is \$11,640,316. 14,779,378

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 221,750

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

Deferred Outflows of Resources \$ 131,884  
Deferred Inflows of Resources (524,263)  
(392,379)

The District has financed capital assets through the issuance of serial bonds and capital financing agreements. The interest accrual at year end is: (96,418)

Long-term liabilities, including bonds payable, capital financing agreements, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Bonds Payable (6,258,117)  
Capital Financing Agreements Payable (1,921,110)  
Compensated Absences Payable (261,344)  
Net Pension Liability (2,034,709)  
(10,475,280)

**Net position of governmental activities (Exhibit A-1)** \$ 7,340,166

**MAYWOOD BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 20,103,985			\$ 756,000	\$ 20,859,985
Interest	52,033		\$ 1,209		53,242
Miscellaneous	212,578	\$ 87,406		-	299,984
Total - Local Sources	20,368,596	87,406	1,209	756,000	21,213,211
State Sources	5,799,285				5,799,285
Federal Sources	-	1,321,389			1,321,389
Total Revenues	26,167,881	1,408,795	1,209	756,000	28,333,885
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular Instruction	11,731,246	253,768			11,985,014
Special Education Instruction	5,910,467	606,040			6,516,507
Other Instruction	699,583				699,583
School Sponsored Activities and Athletics	109,181	86,594			195,775
Support Services and Undistributed Costs					
Student and Instruction Related Services	2,740,189	461,581			3,201,770
General Administrative Services	684,738				684,738
School Administrative Services	645,104				645,104
Plant Operations and Maintenance	1,737,779				1,737,779
Pupil Transportation	1,317,223				1,317,223
Central Services	558,590				558,590
Capital Outlay	280,826		\$ 427,684		708,510
Debt Service					
Principal	157,615			555,000	712,615
Interest and Other Charges	50,340			221,000	271,340
Total Expenditures	26,622,881	1,407,983	427,684	776,000	29,234,548
Excess (Deficiency) of Revenues					
Over Expenditures	(455,000)	812	(426,475)	(20,000)	(900,663)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	3,902			20,000	23,902
Transfers Out	(20,000)		(3,902)		(23,902)
Total Other Financing Sources (Uses)	(16,098)	-	(3,902)	20,000	-
Net Change in Fund Balances	(471,098)	812	(430,377)	-	(900,663)
Fund Balance, Beginning of Year	4,182,266	18,819	2,693		4,203,778
Fund Balance, End of Year	<u>\$ 3,711,168</u>	<u>\$ 19,631</u>	<u>\$ (427,684)</u>	<u>\$ -</u>	<u>\$ 3,303,115</u>

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

**MAYWOOD BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Total net change in fund balances - governmental funds (Exhibit B-2)** \$ (900,663)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the statement of activities the costs of the assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlays.

Depreciation Expense	\$ (797,749)	
Acquisition of Capital Assets	<u>708,510</u>	(89,239)

The issuance of long term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long term debt.

Principal Repayments		
Capital Financing Agreements	157,615	
General Obligation Bonds	<u>555,000</u>	712,615

Governmental Funds report the effect of issuance costs, premiums and deferred amounts on refundings pertaining to bonds issued when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Premium	25,802	
Amortization of Deferred Amount on Refunding	<u>(34,385)</u>	(8,583)

In the statement of activities, certain operating expenses - compensated absences and pension expense are measured by the amounts earned or accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Increase in Compensated Absences	(8,224)	
Decrease in Pension Expense	<u>359,013</u>	350,789

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in accrued interest		<u>8,830</u>
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**Change in net position of governmental activities (Exhibit A-2)** **\$ 73,749**

**MAYWOOD BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2023**

	<b>Business- Type            Activities            Enterprise            Funds</b> <hr/> <b>Food            Service</b> <hr/>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 48,500
Intergovernmental Accounts Receivable	7,840
Other Accounts Receivable	21,645
Inventories	10,368
Total Current Assets	<hr/> 88,353 <hr/>
Capital Assets	
Furniture, Machinery and Equipment	30,284
Less Accumulated Depreciation	<hr/> (28,114) <hr/>
Total Capital Assets, Net of Accumulated Depreciation	<hr/> 2,170 <hr/>
Total Assets	<hr/> 90,523 <hr/>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	5,904
Unearned Revenues	7,327
Total Current Liabilities	<hr/> 13,231 <hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Commodities Revenue	1,258
Total Liabilities and Deferred Inflows of Resources	<hr/> 14,489 <hr/>
<b>NET POSITION</b>	
Net Investment in Capital Assets	2,170
Unrestricted	73,864
Total Net Position	<hr/> <hr/> \$ 76,034 <hr/> <hr/>

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

**MAYWOOD BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities Enterprise Fund</b>
	<b>Food Service</b>
<b>OPERATING REVENUES</b>	
Charges for Services	
Daily Sales	\$ 66,550
Daily Sales - Non-Reimbursable Program	153,311
	219,861
<b>OPERATING EXPENSES</b>	
Cost of Sales	157,988
Salaries and Wages	146,153
Insurance	13,105
Management Fee	22,694
Purchased Professional - Educational Srvc.	4,783
Supplies and Materials	15,261
Repair and Maintenance	9,495
Miscellaneous	7,874
Depreciation	2,170
	379,523
Total Operating Expenses	379,523
Operating (Loss)	(159,662)
<b>NONOPERATING REVENUES</b>	
State Sources	
State School Lunch Program	5,347
Federal Sources	
National School Lunch Program	99,050
Covid Supply Chain Assistance	55,952
USDA Commodities	23,560
	183,909
Total Nonoperating Revenues	183,909
Change in Net Position	24,247
Net Position, Beginning of Year	51,787
Net Position, End of Year	\$ 76,034

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

**MAYWOOD BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities Enterprise Funds</b>
	<b>Food Service</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers	\$ 199,174
Payments for Employees	(146,153)
Payments to Suppliers	(225,376)
	(172,355)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
State and Federal Sources	174,087
	174,087
Net Cash Provided by Non-Capital Financing Activities	174,087
Net Increase in Cash and Cash Equivalents	1,732
Cash and Cash Equivalents—Beginning of Year	46,768
Cash and Cash Equivalents—End of Year	\$ 48,500
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>	
Operating Income (Loss)	\$ (159,662)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities	
Depreciation	2,170
Food Distribution Program - Non-Cash Assistance	23,560
(Increase) Decrease in Inventory	(6,616)
(Increase) Decrease in Other Accounts Receivable	(21,013)
Increase/(Decrease) in Deferred Inflows of Resources	1,258
Increase (Decrease) in Accounts Payable	(12,378)
Increase (Decrease) in Unearned Revenue	326
	(172,355)
Net Cash Provided by (Used for ) Operating Activities	\$ (172,355)
Non-Cash Investing, Capital and Financing Activities	
Value Received - Food Distribution Program	\$ 24,422

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

**NOTES TO THE FINANCIAL STATEMENTS**



**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Maywood Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of seven elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade eight (8) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Maywood Board of Education this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

**B. New Accounting Standards**

During fiscal year 2023, the District adopted the following GASB statements:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability or a government’s financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government’s SBITA activities and evaluate a government’s obligations and assets resulting from SBITAs.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- 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.

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

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. 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.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. 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.

**C. Basis of Presentation - Financial Statements**

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

**District-Wide Financial Statements**

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements**

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

**Reclassifications**

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-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. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are 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.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when 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 Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

Property taxes, tuition, transportation fees, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. *Cash, Cash Equivalents and Investments***

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

**2. *Receivables***

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**3. *Inventories***

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**4. *Capital Assets***

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Building Improvements	40
Heavy Equipment	10
Office Equipment and Furniture	10
Computer Equipment	5

**5. *Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. The first item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The second item is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***6. Compensated Absences***

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation and sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation and sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

***7. Pensions***

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

***8. Financing Agreements***

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

***9. Long-Term Obligations***

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred outflows of resources (delete as applicable). Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

**Restricted Fund Balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2).

Maintenance Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of maintenance reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that was appropriated in the 2023/2024 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**10. Net Position/Fund Balance (Continued)**

**Governmental Fund Statements (Continued)**

**Assigned Fund Balance** – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

*Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

*Year-End Encumbrances* – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**Unassigned Fund Balance** – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

**11. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District has no committed fund balances at year end.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**F. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, federal and state grants for school-based budgeting, investment earnings and miscellaneous revenues.



**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**2. *Property Taxes***

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1<sup>st</sup> in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual “in rem” tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

**3. *Tuition Revenues and Expenditures***

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2021-2022 and 2022-2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses***

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges to customers for sales and services. Operating expenses for enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them.

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$528,527 and the special revenue fund by \$413,838. The increases were funded by the additional appropriation of grant awards and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

**B. Excess Expenditures Over Appropriations**

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Salaries for Pupil Transportation – Regular	\$96,790	\$127,870	\$(31,080)

The above variances were offset with other available resources. The overexpended appropriation was the result of an audit adjustment.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Deficit Fund Equity**

The District has an accumulated deficit in fund balance of \$427,684 in the Capital Projects Fund as of June 30, 2023. This deficit is the result of the Board incurring expenditures for the 2023 bond referendum, which was prior to the sale of school bonds or receipt of state aid. As the Board permanently finances these appropriations or receives state aid, the District will realize as revenues the proceeds of the financing or state aid. This deficit does not indicate that the District is facing financial difficulties and is permitted practice under accounting principles generally accepted in the United States of America.

**D. Capital Reserve**

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end 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. 6:23A-14.1(g), the balance in the reserve cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022		<u>\$ 1,000,000</u>
Increased by		
Interest Earnings	\$ 1,209	
Unexpended Capital Projects Transferred to Capital Reserve	<u>2,693</u>	
Total Increases		<u>3,902</u>
Decreased by:		
Withdrawals Approved in District Budget		<u>20,000</u>
Balance, June 30, 2023		<u>\$ 983,902</u>

The June 30, 2023 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$2,427,000. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan. \$70,000 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**E. Maintenance Reserve**

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve 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. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	<u>\$ 250,000</u>
Balance, June 30, 2023	<u>\$ 250,000</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$876,564. \$25,000 of the maintenance reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

**F. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year’s budget. The excess fund balance at June 30, 2023 is \$1,171,265. Of this amount, \$598,524 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$572,741 will be appropriated in the 2024/2025 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee’s salary or funds which may pass to the local government upon the happening of a future condition.

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$4,271,578 and bank and brokerage firm balances of the Board's deposits amounted to \$5,185,184. The Board's deposits which are displayed on the various fund balance sheets as "cash" or "cash and cash equivalents" are categorized as:

**Depository Account (See Note 1)**

Insured	\$ 5,160,806
Uninsured and Collateralized	<u>24,378</u>
	<u>\$ 5,185,184</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board's bank balance of \$24,378 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized:

Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 24,378</u>
	<u>\$ 24,378</u>

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Investments (Continued)**

As of June 30, 2023, the Board had no outstanding investments.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

Investment and interest earnings in the Capital Projects Fund are assigned to the General Fund in accordance with Board policy.

**B. Receivables**

Receivables as of June 30, 2023 for the district’s individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts			\$ 21,645	\$ 21,645
Intergovernmental-				
Federal		\$ 314,800	7,441	322,241
State	\$ 151,972		399	152,371
Local	<u>26,946</u>	-	-	<u>26,946</u>
Gross Receivables	178,918	314,800	29,485	523,203
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 178,918</u>	<u>\$ 314,800</u>	<u>\$ 29,485</u>	<u>\$ 523,203</u>

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets**

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

	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 15,522			\$ 15,522
Construction in Progress	-	\$ 427,684	-	427,684
Total Capital Assets, Not Being Depreciated	<u>15,522</u>	<u>427,684</u>	<u>-</u>	<u>443,206</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	24,022,259	-		24,022,259
Machinery and Equipment	1,673,403	280,826	-	1,954,229
Total Capital Assets Being Depreciated	<u>25,695,662</u>	<u>280,826</u>	<u>-</u>	<u>25,976,488</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(9,795,151)	(672,323)		(10,467,474)
Machinery and Equipment	(1,047,416)	(125,426)	-	(1,172,842)
Total Accumulated Depreciation	<u>(10,842,567)</u>	<u>(797,749)</u>	<u>-</u>	<u>(11,640,316)</u>
Total Capital Assets, Being Depreciated, Net	<u>14,853,095</u>	<u>(516,923)</u>	<u>-</u>	<u>14,336,172</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,868,617</u>	<u>\$ (89,239)</u>	<u>\$ -</u>	<u>\$ 14,779,378</u>
	Balance, <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2023</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 30,284	-	-	\$ 30,284
Total Capital Assets Being Depreciated	<u>30,284</u>	<u>-</u>	<u>-</u>	<u>30,284</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(25,944)	\$ (2,170)	-	(28,114)
Total Accumulated Depreciation	<u>(25,944)</u>	<u>(2,170)</u>	<u>-</u>	<u>(28,114)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,340</u>	<u>(2,170)</u>	<u>-</u>	<u>2,170</u>
Business-Type Activities Capital Assets, Net	<u>\$ 4,340</u>	<u>\$ (2,170)</u>	<u>\$ -</u>	<u>\$ 2,170</u>

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

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

**Governmental Activities:**

Instruction	
Regular	\$ <u>13,848</u>
Support Services	
School Administrative Services	28,008
Plant Operations and Maintenance	676,786
Pupil Transportation	<u>79,107</u>
 Total Support Services	 <u>783,901</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 797,749</u>
 <b>Business-Type Activities:</b>	
Food Service Fund	<u>\$ 2,170</u>

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2023:

<u>Project</u>	<u>Remaining Commitment</u>
Fire Alarm System	\$ 543,826
Roofing Upgrades	<u>957,000</u>
 Total	 <u>\$ 957,000</u>

The District has other significant commitments at June 30, 2023 as follows:

<u>Purposes</u>	<u>Remaining Commitment</u>
Architect & Engineering Services on Referendum Projects	<u>\$ 1,879,274</u>



**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2023, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 187,166
General Fund	Capital Projects	<u>67,029</u>
Total		<u>\$ 254,195</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**Interfund Transfers**

	<u>Transfer In:</u>		
	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Transfer Out:			
General Fund		\$ 20,000	\$ 20,000
Capital Projects Fund	\$ 3,902	<u>-</u>	<u>3,902</u>
Total Transfers	<u>\$ 3,902</u>	<u>\$ 20,000</u>	<u>\$ 23,902</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**E. Financing Agreements**

**Capital Financing Agreements**

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Financing Agreements (Continued)**

**Capital Financing Agreements (Continued)**

Capital financing agreements at June 30, 2023 are comprised of the following:

\$2,374,921, fiscal year 2016 Agreement for the acquisition of energy saving incentive project improvement for a term of 20 years due in bi-annual installments through February 15, 2023 interest at 2.4656%	\$ 1,756,121
\$222,955, fiscal year 2021 Agreement for the acquisition of 2 school buses for a term of 5 years due in annual installments through December 1, 2024 interest at 1.662%	90,522
\$119,844, fiscal year 2022 Agreement for the acquisition of copiers for a term of 5 years due in monthly installments through June 15, 2026	<u>74,467</u>
Total	<u>\$ 1,921,110</u>

The maturity schedule of the remaining capital and other financing agreement payments for principal and interest is as follows:

**Governmental Activities:**

Fiscal Year Ending <u>June 30,</u>	<u>Capital Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 164,897	\$ 46,501	\$ 211,398
2025	172,465	42,476	214,941
2026	133,936	38,258	172,194
2027	114,680	35,047	149,727
2028	121,408	32,179	153,587
2029-2033	703,136	112,203	815,339
3034-3036	<u>510,588</u>	<u>22,385</u>	<u>532,973</u>
Total	<u>\$ 1,921,110</u>	<u>\$ 329,049</u>	<u>\$ 2,250,159</u>

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Long-Term Debt**

**General Obligation Bonds**

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2023 are comprised of the following issues:

\$8,495,000, 2012 Refunding Bonds, due in annual installments of \$465,000 to \$650,000 through August 15, 2031, interest at 3.000% to 4.000%	\$ 5,110,000
\$1,600,000, 2015 Refunding Bonds, due in annual installments of \$11085,000 to \$120,000 through August 15, 2031, interest at 2.000% to 3.750%	<u>985,000</u>
	<u>\$ 6,095,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

**Governmental Activities:**

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2024	\$ 585,000	\$ 199,150	\$ 784,150
2025	605,000	176,350	781,350
2026	625,000	152,775	777,775
2027	655,000	127,963	782,963
2028	680,000	104,650	784,650
2029-2032	<u>2,945,000</u>	<u>192,512</u>	<u>3,137,512</u>
Total	<u>\$ 6,095,000</u>	<u>\$ 953,400</u>	<u>\$ 7,048,400</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 49,594,711
Less: Net Debt Issued and Authorized but not Issued	<u>28,155,140</u>
Remaining Borrowing Power	<u>\$ 21,439,571</u>

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Other Long-Term Liabilities (Continued)**

**Changes in Long-Term Liabilities**

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

	Balance, <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2023</u>	Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 6,650,000		\$ 555,000	\$ 6,095,000	\$ 585,000
Add: Premium	188,919	-	25,802	163,117	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Bonds Payable	6,838,919	-	580,802	6,258,117	585,000
<b>Intergovernmental Loans</b>					
Capital Financing Agreements	2,078,725		157,615	1,921,110	\$ 164,897
Compensated Absences	253,120	\$ 8,224		261,344	
Net Pension Liability	1,655,351	379,358	-	2,034,709	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governmental Activity Long-Term Liabilities	<u>\$ 10,826,115</u>	<u>\$ 387,582</u>	<u>\$ 738,417</u>	<u>\$ 10,475,280</u>	<u>\$ 749,897</u>

For the governmental activities, the liabilities for compensated absences, capital leases and net pension liability are generally liquidated by the general fund.

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

NESBIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the respective insurance funds are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

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, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended <u>June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	-	\$ 21,813	\$ 34,866	\$ 113,641
2022	\$ 35,000	18,425	347	127,054
2021	-	19,511	12,627	105,796

**B. Contingent Liabilities**

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2023, the District has not estimated its arbitrage earnings due to the IRS, if any.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

**Public Employees' Retirement System (PERS)** – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represents the membership tiers for PERS:

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

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

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

The following represent the membership tiers for TPAF:

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

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at [www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest).



**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

**Actuarial Methods and Assumptions**

In the July 1, 2021 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2023.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2023 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2023, 2022 and 2021 were equal to the required contributions.

During the fiscal years ended June 30, 2023, 2022 and 2021 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	On-behalf		
	PERS	TPAF	DCRP
2023	\$ 170,022	\$ 2,491,820	\$ 36,143
2022	163,644	2,621,524	32,594
2021	157,354	1,773,833	22,969

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Employer and Employee Pension Contributions (Continued)**

In addition for fiscal years 2023, 2022 and 2021 the State contributed \$878, \$875 and \$771, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$572,580 during the fiscal year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2022 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$2,034,709 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District's proportionate share was 0.01348 percent, which was a decrease of 0.00049 percent from its proportionate share measured as of June 30, 2021 of 0.01397 percent.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension (benefit) of \$188,991 for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and		
Actual Experience	\$ 14,686	\$ 12,951
Changes of Assumptions	6,304	304,677
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	84,215	
Changes in Proportion and Differences Between		
District Contributions and Proportionate Share		
of Contributions	<u>26,679</u>	<u>206,635</u>
 Total	 <u>\$ 131,884</u>	 <u>\$ 524,263</u>

At June 30, 2023, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2023	\$ (228,292)
2024	(156,688)
2025	(83,880)
2026	77,410
2027	(929)
Thereafter	<u>-</u>
	 <u>\$ (392,379)</u>

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

*Actuarial Assumptions*

The District’s 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.

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

*Mortality Rates*

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 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.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate***

The discount rate used to measure the total pension liability for PERS 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 in determining the total pension liability.

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>6.00%</u></b>	<b>Current Discount Rate <u>7.00%</u></b>	<b>1% Increase <u>8.00%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>2,614,005</u>	\$ <u>2,034,709</u>	\$ <u>1,541,705</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2022. A sensitivity analysis specific to the District’s net pension liability at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF)**

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2021 through June 30, 2022. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2022, the State's pension contribution was more than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$871,939 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$32,398,693. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was 0.06279 percent, which was an increase of 0.00620 percent from its proportionate share measured as of June 30, 2021 of 0.05659 percent.

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

**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.

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

***Mortality Rates***

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

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.



**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF’s target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.91%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Investment Grade Credit	7.00%	3.38%
US Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
High Yield	4.00%	4.95%
Real Assets	3.00%	7.60%
Private Credit	8.00%	8.10%
Real Estate	8.00%	11.19%
Private Equity	13.00%	11.80%

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF 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.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 37,988,156</u>	<u>\$ 32,398,693</u>	<u>\$ 27,690,273</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2022. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**E. Post-Retirement Medical Benefits**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**State Health Benefit Program Fund – Local Education Retired Employees Plan** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

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 State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>151,669</u>
Total	<u>364,817</u>

**Measurement Focus and Basis of Accounting**

The financial statements of the post-employment health benefit plans are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50.6 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2021 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$654,595, \$612,494 and \$555,892, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,227,375. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$26,071,322. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the District was 0.05148 percent, which was a decrease of 0.00077 percent from its proportionate share measured as of June 30, 2021 of 0.05225 percent.

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Actuarial Assumptions**

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

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 4.25% Based on Years of Service

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) 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 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

100% of active members are considered to participate in the plan upon retirement.

**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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2022 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.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Changes in the Total OPEB Liability**

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>31,352,932</u>
Changes Recognized for the Fiscal Year:	
Service Cost	1,619,792
Interest on the Total OPEB Liability	690,919
Differences Between Expected and Actual Experience	63,966
Changes of Assumptions	(6,993,866)
Gross Benefit Payments	(684,376)
Contributions from the Member	21,955
Net Changes	\$ <u>(5,281,610)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>26,071,322</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2022.

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.54%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>30,644,097</u>	\$ <u>26,071,322</u>	\$ <u>22,406,472</u>

**MAYWOOD BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Sensitivity of OPEB Liability (Continued)**

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 21,549,541	\$ 26,071,322	\$ 32,010,956

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

**F. Subsequent Events**

**Serial Bonds**

On July 19, 2023 the District issued \$22,060,000 in School District Bonds. These Bonds were issued in order to permanently finance expenditures related to the 2023 referendum for various capital improvement projects. The District awarded the said sale of bonds to Robert W. Baird & Co., Inc. at an interest rate of 3.00% to 4.00%. These Bonds dated July 19, 2023 will mature over 20 years with the first maturity due July 15, 2025.

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)**

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$1,853,339 in federal aid to address the effects of the COVID-19 pandemic.



**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>REVENUES</b>					
Local Sources					
Property Taxes	\$ 20,103,985		\$ 20,103,985	\$ 20,103,985	
Interest	20	-	20	52,033	\$ 52,013
Miscellaneous	50,000	-	50,000	212,578	162,578
	<u>20,154,005</u>	<u>-</u>	<u>20,154,005</u>	<u>20,368,596</u>	<u>214,591</u>
State Sources					
Categorical Special Education Aid	1,084,666	-	1,084,666	1,084,666	
Equalization Aid	324,912		324,912	324,912	
Categorical Security Aid	23,035		23,035	23,035	
Categorical Transportation Aid	153,364		153,364	153,364	
Extraordinary Aid	-		-	279,791	279,791
Reimbursed Non Public Transportation Aid			-	23,267	23,267
Homeless Tuition Reimbursement				70,150	70,150
TPAF Pension Contribution (Non-Budget)					
NCGI Premium				34,098	34,098
TPAF Pension Contribution (Non-Budget)					
Normal Cost				2,457,722	2,457,722
TPAF OPEB Contribution (Non-Budget)					
Post - Retirement Medical Contribution				654,595	654,595
TPAF LTDI Contribution (Non-Budget)					
Long-Term Disability Insurance Premium				878	878
TPAF Social Security Contributions (Non-Budget)	-	-	-	572,580	572,580
	<u>1,585,977</u>	<u>-</u>	<u>1,585,977</u>	<u>5,679,058</u>	<u>4,093,081</u>
Total State Sources					
Total Revenues	<u>21,739,982</u>	<u>-</u>	<u>21,739,982</u>	<u>26,047,654</u>	<u>4,307,672</u>
<b>EXPENDITURES</b>					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	345,889	\$ 32,771	378,660	378,375	285
Grades 1-5	2,175,124	(44,279)	2,130,845	2,126,148	4,697
Grades 6-8	1,924,035	60,830	1,984,865	1,978,813	6,052
Regular Programs - Home Instruction					
Purchased Professional & Educational Services	2,500	10,526	13,026	11,986	1,040
Regular Programs - Undistributed Instruction					
Purchased Professional & Educational Services	6,204	(4,038)	2,166	-	2,166
Other Purchased Services - (Copier Lease)	35,378	(9,158)	26,220	26,220	-
General Supplies	586,173	(184,041)	402,132	367,693	34,439
Textbooks	90,000	(51,740)	38,260	30,154	8,106
Other Objects	-	5,496	5,496	5,496	-
	<u>5,165,303</u>	<u>(183,633)</u>	<u>4,981,670</u>	<u>4,924,885</u>	<u>56,785</u>
Learning and/or Language Disabilities					
Salaries of Teachers	124,304	72,715	197,019	192,465	4,554
Other Salaries for Instruction	79,810	25,634	105,444	95,357	10,087
General Supplies	500	-	500	234	266
	<u>204,614</u>	<u>98,349</u>	<u>302,963</u>	<u>288,056</u>	<u>14,907</u>
Total Learning and/or Language Disabilities					

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Auditory Impairments					
Purchased Technical Services	\$ 30,000		\$ 30,000	\$ 28,056	\$ 1,944
General Supplies	1,000	-	1,000	943	57
Total Auditory Impairments	31,000	-	31,000	28,999	2,001
Resource Room/Resource Center					
Salaries of Teachers	987,601	\$ (14,220)	973,381	972,562	819
Other Salaries for Instruction	222,662	(25,287)	197,375	184,188	13,187
General Supplies	5,000	-	5,000	3,623	1,377
Total Resource Room/Resource Center	1,215,263	(39,507)	1,175,756	1,160,373	15,383
Special Education Instruction - Autism					
Salaries of Teachers	361,737	80	361,817	352,365	9,452
Other Salaries for Instruction	473,529	14,810	488,339	471,757	16,582
General Supplies	5,000	-	5,000	4,391	609
Total Autism	840,266	14,890	855,156	828,513	26,643
Preschool Disabilities - Part Time					
Salaries of Teachers	84,560	2,790	87,350	86,912	438
Other Salaries for Instruction	38,899	61	38,960	38,960	-
General Supplies	1,500	-	1,500	1,186	314
Total Preschool Disabilities Part Time	124,959	2,851	127,810	127,058	752
Total Special Education	2,416,102	76,583	2,492,685	2,432,999	59,686
Basic Skills/Remedial					
Salaries of Teachers	295,393	(5,829)	289,564	289,564	-
Total Basic Skills/Remedial	295,393	(5,829)	289,564	289,564	-
Bilingual Education					
Salaries of Teachers	140,539	4,095	144,634	144,634	-
General Supplies	750	-	750	544	206
Total Bilingual Education	141,289	4,095	145,384	145,178	206
School Sponsored Co-Curricular Activities					
Salaries	16,633	10,589	27,222	27,222	-
Purchased Services	-	-	-	-	-
Supplies and Materials	11,500	(4,457)	7,043	6,302	741
Total School Sponsored Co-Curricular Activities	28,133	6,132	34,265	33,524	741

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT (Continued)					
School Sponsored Athletics					
Salaries	\$ 25,923	\$ 6,557	\$ 32,480	32,480	
Purchased Services	5,000	(590)	4,410	4,410	
Supplies and Materials	5,000	(1,910)	3,090	2,352	\$ 738
Total School Sponsored Athletics	<u>35,923</u>	<u>4,057</u>	<u>39,980</u>	<u>39,242</u>	<u>738</u>
Total Instruction	<u>8,082,143</u>	<u>(98,595)</u>	<u>7,983,548</u>	<u>\$ 7,865,392</u>	<u>118,156</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Regular	3,635,303	(115,005)	3,520,298	3,441,186	79,112
Tuition to Other LEAs w/i State - Special	538,001	119,852	657,853	657,853	-
Tuition to County Voc. School Dist-Reg	537,246	89,496	626,742	626,742	-
Tuition to County Voc. School Dist-Special	464,940	(70,548)	394,392	394,140	252
Tuition to CSSD & Reg. Day Schools	500,651	29,636	530,287	530,287	-
Tuition to Private School for Disabled w/i State	815,267	(419,049)	396,218	386,355	9,863
Total Undistributed Expenditures - Instruction	<u>6,491,408</u>	<u>(365,618)</u>	<u>6,125,790</u>	<u>6,036,563</u>	<u>89,227</u>
Attendance & Social Work					
Other Purchased Services	9,876	(282)	9,594	9,594	-
Total Attendance & Social Work	<u>9,876</u>	<u>(282)</u>	<u>9,594</u>	<u>9,594</u>	<u>-</u>
Health Services					
Salaries	161,886	5,835	167,721	165,886	1,835
Purchased Professional and Technical Services	6,540	3,110	9,650	9,619	31
Supplies and Materials	5,750	(2,460)	3,290	2,734	556
Total Health Services	<u>174,176</u>	<u>6,485</u>	<u>180,661</u>	<u>178,239</u>	<u>2,422</u>
Speech, OT, PT & Related Services					
Salaries	277,184	(28,074)	249,110	249,110	\$ -
Purchased Prof. Ed. Services	240,000	148,320	388,320	379,270	9,050
Total Speech, OT, PT & Related Services	<u>517,184</u>	<u>120,246</u>	<u>637,430</u>	<u>628,380</u>	<u>9,050</u>
Other Support Services - Students - Extraordinary					
Purchased Professional - Educational Services	99,730	28,179	127,909	121,280	6,629
Total Other Supp.Serv. Student - Extraordinary	<u>99,730</u>	<u>28,179</u>	<u>127,909</u>	<u>121,280</u>	<u>6,629</u>

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 183,844	\$ (8,605)	\$ 175,239	\$ 175,239	-
Salaries of Secretarial & Clerical Assistants	53,148	-	53,148	53,148	-
Total Guidance	<u>236,992</u>	<u>(8,605)</u>	<u>228,387</u>	<u>228,387</u>	<u>-</u>
Child Study Teams					
Salaries of Other Professional Staff	494,157	(81,711)	412,446	412,446	-
Salaries of Secretarial & Clerical Assistants	63,183	-	63,183	63,121	\$ 62
Other Purchased Services	21,724	21,437	43,161	42,690	471
Supplies and Materials	25,000	(3,200)	21,800	21,745	55
Other Objects	48,000	(300)	47,700	46,892	808
Total Child Study Teams	<u>652,064</u>	<u>(63,774)</u>	<u>588,290</u>	<u>586,894</u>	<u>1,396</u>
Educational Media/School Library					
Salaries	140,378	-	140,378	140,378	-
Supplies and Materials	9,000	(2,000)	7,000	5,238	1,762
Total Educational Media/School Library	<u>149,378</u>	<u>(2,000)</u>	<u>147,378</u>	<u>145,616</u>	<u>1,762</u>
Instructional Staff Training Services					
Purchased Professional/Educational Services	5,513	-	5,513	5,412	101
Other Purchased Services	12,000	(5,000)	7,000	6,206	794
Total Instructional Staff Training Services	<u>17,513</u>	<u>(5,000)</u>	<u>12,513</u>	<u>11,618</u>	<u>895</u>
Support Services General Administration					
Salaries	265,057	6,640	271,697	271,696	1
Legal Services	20,000	(5,162)	14,838	14,838	-
Audit Fees	28,675	(1,868)	26,807	26,807	-
Architectural/Engineering Services	20,000	45,562	65,562	65,562	-
Other Purchased Professional Services	8,500	600	9,100	8,750	350
Communications/Telephone	47,675	(5,448)	42,227	42,227	-
BOE Other Purchased Services	16,430	(2,324)	14,106	12,606	1,500
General Supplies	10,668	6,178	16,846	16,846	-
Miscellaneous Expenditures	2,350	(1,329)	1,021	1,021	-
BOE Membership Dues and Fees	10,000	(987)	9,013	9,013	-
Total Support Services General Administration	<u>429,355</u>	<u>41,862</u>	<u>471,217</u>	<u>469,366</u>	<u>1,851</u>

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 266,153	\$ 13,733	\$ 279,886	\$ 279,886	
Salaries of Secretarial and Clerical Assistants	116,605	(2,799)	113,806	113,806	
Other Purchased Services	1,000	(1,000)	-	-	
Supplies and Materials	500	(500)	-	-	-
Total Support Services School Administration	<u>384,258</u>	<u>9,434</u>	<u>393,692</u>	<u>393,692</u>	<u>-</u>
Central Services					
Salaries	265,841	6,854	272,695	272,693	\$ 2
Purchased Prof. Services	25,760	(2,927)	22,833	22,783	50
Purchased Technical Services	-	-	-	-	-
Miscellaneous Purchased Services	600	124	724	724	-
Supplies and Material	2,000	281	2,281	2,264	17
Other Objects	275	-	275	268	7
Total Central Services	<u>294,476</u>	<u>4,332</u>	<u>298,808</u>	<u>298,732</u>	<u>76</u>
Administration Information Technology					
Purchased Technical Services	96,188	(2,163)	94,025	93,528	497
Total Administration Information Technology	<u>96,188</u>	<u>(2,163)</u>	<u>94,025</u>	<u>93,528</u>	<u>497</u>
Required Maintenance for School Facilities					
Salaries	170,311	3,849	174,160	174,160	-
Cleaning, Repair and Maintenance Services	143,764	153,972	297,736	262,898	34,838
General Supplies	25,000	18,402	43,402	42,548	854
Other Objects	-	-	-	-	-
Total Allowable Maintenance for School Facilities	<u>339,075</u>	<u>176,223</u>	<u>515,298</u>	<u>479,606</u>	<u>35,692</u>
Custodial Services					
Salaries	382,291	10,549	392,840	367,821	25,019
Salaries of Non-Instructional Aides	87,022	(5,000)	82,022	74,091	7,931
Unused Vacation Pay to Term/Retired Staff	-	-	-	-	-
Insurance	187,043	5,174	192,217	190,613	1,604
General Supplies	73,000	(44,000)	29,000	27,622	1,378
Energy (Natural Gas)	72,500	24,950	97,450	85,643	11,807
Energy (Electricity)	87,500	7,324	94,824	94,824	-
Other Objects	8,500	-	8,500	8,255	245
Interest - Energy Savings Impr Prog Bonds	44,977	-	44,977	44,977	-
Principal - Energy Savings Impr Prog Bonds	90,366	-	90,366	90,366	-
Total Custodial Services	<u>1,033,199</u>	<u>(1,003)</u>	<u>1,032,196</u>	<u>984,212</u>	<u>47,984</u>

**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Student Transportation Services					
Salaries for Non-Instructional Aids	\$ 10,000	\$ 49,064	\$ 59,064	\$ 59,064	
Salaries for Pupil Transport. (Between Home & School) - Regular	115,392	(18,602)	96,790	127,870	\$ (31,080)
Salaries for Pupil Transport. (Between Home & School) - Special Ed	24,000	22,917	46,917	46,917	-
Lease Purchase Payments - Buses	46,932	(540)	46,392	46,392	-
Contracted Services - Aid In Lieu of Payment for Non-Public School Students	60,000	2,467	62,467	61,798	669
Contracted Services (Regular Education Students) - ESC's & CTAS	50,000	185,140	235,140	235,140	-
Contracted Services (Special Students) - ESC's & CTAS	475,000	(17,325)	457,675	457,675	-
General Supplies	55,000	107,946	162,946	162,946	-
Total Student Transportation Services	<u>836,324</u>	<u>331,067</u>	<u>1,167,391</u>	<u>1,197,802</u>	<u>(30,411)</u>
Unallocated Benefits- Employee Benefits					
Social Security Contributions	203,827	55,638	259,465	259,465	-
Other Retirement Contributions - PERS	175,000	(4,978)	170,022	170,022	-
Other Retirement Contributions - ERIP	-	71,572	71,572	71,572	-
Other Retirement Contributions - Regular	55,000	(18,747)	36,253	36,143	110
Unemployment Compensation (Non-Budget)	-	-	-	13,414	(13,414)
Worker's Compensation	95,387	12,329	107,716	107,716	-
Health Benefits	1,960,002	13,695	1,973,697	1,973,697	-
Unused Sick Payment to Retired/Term Staff	-	6,907	6,907	6,704	-
Tuition Reimbursement	40,000	(3,918)	36,082	30,021	6,061
Other Employee Benefits	120,000	798	120,798	103,617	17,181
Total Unallocated Benefits	<u>2,649,216</u>	<u>133,296</u>	<u>2,782,512</u>	<u>2,772,371</u>	<u>10,141</u>
TPAF Pension Contribution (Non-Budget)					
NCGI Premium				34,098	(34,098)
TPAF Pension Contribution (Non-Budget)					
Normal Cost				2,457,722	(2,457,722)
TPAF OPEB Contribution (Non-Budget)					
Post - Retirement Medical Contribution				654,595	(654,595)
TPAF LTDI Contribution (Non-Budget)					
Long-Term Disability Insurance				878	(878)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	572,580	(572,580)
Total Undistributed Expenditures	<u>14,410,412</u>	<u>402,679</u>	<u>14,813,091</u>	<u>18,355,753</u>	<u>(3,542,662)</u>
Interest Earned on Maintenance Reserve	10	-	10	-	10
Total Current Expenditures	<u>22,492,565</u>	<u>304,084</u>	<u>22,796,649</u>	<u>26,221,145</u>	<u>(3,424,496)</u>



**MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
<b>CAPITAL OUTLAY</b>					
Equipment					
Undistributed:					
Pickup Truck					
Copiers Acquired Under Capital Lease (Non-Budget)					
School Buses	-	\$ 253,302	\$ 253,302	\$ 253,302	-
Total Equipment	-	253,302	253,302	253,302	-
Facilities Acq. And Construction Services					
Assessment for Debt Service on SDA Funding	\$ 49,650	-	49,650	49,650	-
Total Facilities Acq. And Construction Services.	49,650	-	49,650	49,650	-
Interest Earned on Capital Reserve	10	-	10	-	\$ 10
Total Capital Outlay	49,660	253,302	302,962	302,952	10
Transfer of Funds to Charter Schools	127,643	(28,859)	98,784	98,784	-
Total General Fund	22,669,868	528,527	23,198,395	26,622,881	(3,424,486)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(929,886)	(528,527)	(1,458,413)	(575,227)	883,186
Other Financing (Uses)					
Transfer In - Capital Projects				3,902	3,902
Capital Reserve - Transfer to Debt Service	(20,000)	-	(20,000)	(20,000)	-
Total Other Financing Sources	(20,000)	-	(20,000)	(16,098)	3,902
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures and Other Financing (Uses)	(949,886)	(528,527)	(1,478,413)	(591,325)	887,088
Fund Balance, Beginning of Year	4,692,092	-	4,692,092	4,692,092	-
Fund Balance, End of Year	\$ 3,742,206	\$ (528,527)	\$ 3,213,679	\$ 4,100,767	\$ 887,088
Restricted Fund Balance					
Capital Reserve				\$ 913,902	
Capital Reserve- Designated for Subsequent Years' Expenditures				70,000	
Maintenance Reserve				225,000	
Maintenance Reserve- Designated for Subsequent Years' Expenditures				25,000	
Excess Surplus				572,741	
Excess Surplus- Designated for Subsequent Years' Expenditures				598,524	
Unemployment Compensation				113,641	
Assigned Fund Balance					
Designated for Subsequent Years' Expenditures				779,304	
Year-End Encumbrances				41,537	
Unassigned Fund Balance				761,118	
				4,100,767	
<b>Reconciliation to Governmental Fund Statements (GAAP)</b>					
2022/2023 State Aid and Extraordinary Aid Not Recognized on a GAAP Basis				(389,599)	
Fund Balance per Governmental Funds (GAAP)				\$ 3,711,168	

**MAYWOOD BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES</b>					
Other		-		\$ 87,406	\$ 87,406
Federal Sources	\$ 907,551	\$ 413,838	\$ 1,321,389	1,321,389	-
Total Revenues	<u>907,551</u>	<u>413,838</u>	<u>1,321,389</u>	<u>1,408,795</u>	<u>87,406</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	86,647	338,904	425,551	425,551	-
Purchased Professional and Technical	-	1,455	1,455	1,455	-
Tuition	295,663	35,211	330,874	330,874	-
General Supplies	89,923	12,005	101,928	101,928	-
School Sponsored Co-curricular Activities (Non-Budget)	-	-	-	86,594	(86,594)
Total Instruction	<u>472,233</u>	<u>387,575</u>	<u>859,808</u>	<u>946,402</u>	<u>(86,594)</u>
Support Services					
Salaries	219,268	(22,341)	196,927	196,927	-
Personnel Services - Employee Benefits	139,539	(41,637)	97,902	97,902	-
Purchased Professional and Technical	63,402	(26,026)	37,376	37,376	-
Transportation	5,556	(584)	4,972	4,972	-
Supplies and Materials	7,553	116,851	124,404	124,404	-
Total Support Services	<u>435,318</u>	<u>26,263</u>	<u>461,581</u>	<u>461,581</u>	<u>-</u>
Non-Instructional Equipment	-	-	-	-	-
Total Expenditures	<u>907,551</u>	<u>413,838</u>	<u>1,321,389</u>	<u>1,407,983</u>	<u>(86,594)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	812	812
Fund Balances, Beginning of Year	18,819	-	18,819	18,819	-
Fund Balances, End of Year	<u>18,819</u>	<u>-</u>	<u>18,819</u>	<u>\$ 19,631</u>	<u>\$ 812</u>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<b>General Fund</b>	<b>Special Revenue Fund</b>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2)	\$ 26,047,654	\$ 1,408,795
Difference - Budget to GAAP		
State aid payment recognized for GAAP purposes not recognized for GAAP statements. (2021/2022 Aid)	509,826	
State aid payment recognized for budgetary purposes not recognized for GAAP statements. (2022/2023 Aid)	<u>(389,599)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 26,167,881</u>	<u>\$ 1,408,795</u>
<b>Uses/Outflows of Resources</b>		
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule (Exhibits C-1 and C-2)	<u>\$ 26,622,881</u>	<u>\$ 1,407,983</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 26,622,881</u>	<u>\$ 1,407,983</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY

PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last Ten Fiscal Years \*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.01348 %	0.01397 %	0.01438 %	0.01517 %	0.01522 %	0.01417 %	0.01476 %	0.01496 %	0.01492 %	0.01671 %
District's Proportionate Share of the Net Pension Liability (Asset)	2,034,709	1,655,351	2,345,659	2,734,211	2,997,755	3,298,099	4,371,631	3,357,388	2,795,173	3,193,830
District's Covered-Employee Payroll	1,076,839	944,117	1,023,885	1,066,662	1,073,046	1,052,701	995,836	1,002,587	667,835	549,226
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	189%	175%	229%	256%	279%	313%	439%	335%	419%	582%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

**MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

**PUBLIC EMPLOYEES RETIREMENT SYSTEM  
Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 170,022	\$ 163,644	\$ 157,354	\$ 148,237	\$ 126,005	\$ 131,252	\$ 131,130	\$ 128,584	\$ 131,988	\$ 125,915
Contributions in Relation to the Contractually Required Contributions	<u>170,022</u>	<u>163,644</u>	<u>157,354</u>	<u>148,237</u>	<u>126,005</u>	<u>131,252</u>	<u>131,130</u>	<u>128,584</u>	<u>131,988</u>	<u>125,915</u>
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
District's Covered- Employee Payroll	1,363,881	1,076,839	944,117	1,023,885	1,066,662	1,073,046	1,052,701	995,836	1,002,587	667,835
Contributions as a Percentage of Covered-Employee Payroll	12.47%	15.20%	16.67%	14.48%	11.81%	12.23%	12.46%	12.91%	13.16%	18.85%

MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY

TEACHERS PENSION AND ANNUITY FUND  
Last Ten Fiscal Years \*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	-	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 32,398,693</u>	<u>\$ 28,788,657</u>	<u>\$ 37,262,957</u>	<u>\$ 33,520,465</u>	<u>\$ 36,318,192</u>	<u>\$ 38,711,779</u>	<u>\$ 44,120,440</u>	<u>\$ 35,553,912</u>	<u>\$ 29,916,885</u>	<u>\$ 28,227,660</u>
Total	\$ 32,398,693	\$ 28,788,657	\$ 37,262,957	\$ 33,520,465	\$ 36,318,192	\$ 38,711,779	\$ 44,120,440	\$ 35,553,912	\$ 29,916,885	\$ 28,227,660
District's Covered-Employee Payroll	7,335,601	6,854,287	6,969,470	6,464,554	6,016,143	5,870,241	5,896,815	5,822,779	7,054,280	6,874,043
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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



**MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Change of Benefit Terms:** None.

**Change of Assumptions:** Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4.

**MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF  
TOTAL OPEB LIABILITY**

**Postemployment Health Benefit Plan**

Last Five Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 1,619,792	\$ 1,832,173	\$ 1,005,548	\$ 893,943	\$ 1,022,465
Interest on Total OPEB Liability	690,919	813,328	747,095	871,243	953,712
Differences Between Expected and Actual Experience	63,966	(5,653,235)	6,797,942	(2,748,628)	(2,869,274)
Changes of Assumptions	(6,993,866)	30,932	6,390,190	307,636	(2,515,794)
Gross Benefit Payments	(684,376)	(640,675)	(609,025)	(633,365)	(586,218)
Contribution from the Member	21,955	20,793	18,460	18,775	20,261
Changes in Benefit Terms	-	(33,371)	-	-	-
<b>Net Change in Total OPEB Liability</b>	(5,281,610)	(3,630,055)	14,350,210	(1,290,396)	(3,974,848)
<b>Total OPEB Liability - Beginning</b>	<u>31,352,932</u>	<u>34,982,987</u>	<u>20,632,777</u>	<u>21,923,173</u>	<u>25,898,021</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 26,071,322</u>	<u>\$ 31,352,932</u>	<u>\$ 34,982,987</u>	<u>\$ 20,632,777</u>	<u>\$ 21,923,173</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>26,071,322</u>	<u>31,352,932</u>	<u>34,982,987</u>	<u>20,632,777</u>	<u>21,923,173</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 26,071,322</u>	<u>\$ 31,352,932</u>	<u>\$ 34,982,987</u>	<u>\$ 20,632,777</u>	<u>\$ 21,923,173</u>
District's Covered-Employee Payroll	<u>\$ 8,412,440</u>	<u>\$ 7,798,404</u>	<u>\$ 7,993,355</u>	<u>\$ 7,531,216</u>	<u>\$ 7,089,189</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**MAYWOOD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability are presented in Note 4E.

**SCHOOL LEVEL SCHEDULES**

**EXHIBITS D-1, D-2 AND D-3**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

MAYWOOD BOARD OF EDUCATION  
 SPECIAL REVENUE FUND  
 COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
 BUDGETARY BASIS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ESEA Title I	ESEA Title II A	ESEA IV	IDEA Basic	IDEA Preschool	CRRSA			ARP					ASCERS	Student Activities	Grand Total
						ESSER II	Learning Acceleration	Mental Health	ESSER	Accel. Learning	Summer Learning	Beyond the School Day	Mental Health			
<b>REVENUES</b>																
Intergovernmental																
Other															\$ 87,406	87,406
Federal	\$ 125,016	\$ 25,621	\$ 8,407	\$ 243,514	\$ 11,361	\$ 100,782	\$ 5,851	\$ 5,955	\$ 541,257	\$ 42,692	\$ 13,079	\$ 12,112	\$ 45,000	\$ 140,742	-	1,321,389
Total Revenues	\$ 125,016	\$ 25,621	\$ 8,407	\$ 243,514	\$ 11,361	\$ 100,782	\$ 5,851	\$ 5,955	\$ 541,257	\$ 42,692	\$ 13,079	\$ 12,112	\$ 45,000	\$ 140,742	\$ 87,406	\$ 1,408,795
<b>EXPENDITURES</b>																
Instruction																
Salaries of Teachers	\$ 77,834				\$ 7,767	\$ 92,894			\$ 205,435		\$ 12,150	\$ 8,000		\$ 21,471		\$ 425,551
Purchased Prof. and Tech. Services								\$ 1,455								1,455
Tuition				\$ 243,514											87,360	330,874
General Supplies	41,226	\$ 20,209			3,000				37,493							101,928
School Sponsored Co-curricular Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 86,594	86,594
Total Instruction	119,060	20,209	-	243,514	10,767	92,894	-	1,455	242,928	-	12,150	8,000	-	108,831	86,594	946,402
Support Services																
Salaries			\$ 5,951						121,808	\$ 18,408			\$ 31,035	19,725		196,927
Personnel Services-Employee Benefits	5,956		456		594	7,106			60,000	8,284	929	612	13,965			97,902
Purchased Prof. and Tech. Services		5,412					\$ 750	4,500		16,000		3,500		7,214		37,376
Transportation														4,972		4,972
Supplies and Materials	-	-	2,000	-	-	782	5,101	-	116,521	-	-	-	-	-	-	124,404
Total Support Services	5,956	5,412	8,407	-	594	7,888	5,851	4,500	298,329	42,692	929	4,112	45,000	31,911	-	461,581
Total Expenditures	\$ 125,016	\$ 25,621	\$ 8,407	\$ 243,514	\$ 11,361	\$ 100,782	\$ 5,851	\$ 5,955	\$ 541,257	\$ 42,692	\$ 13,079	\$ 12,112	\$ 45,000	\$ 140,742	\$ 86,594	\$ 1,407,983
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	812	812
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,819	18,819
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,631	\$ 19,631

**MAYWOOD BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOT APPLICABLE

**CAPITAL PROJECTS FUND**



**MAYWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue/Project Title</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date Prior Years</u>	<u>Current Year</u>	<u>Cancelled</u>	<u>Balance, June 30, 2023</u>
Energy Savings Incentive Program	\$ 2,650,004	\$ 2,647,311		\$ (2,693)	-
2023 School Bond Referendum Project - District Wide Improvements	<u>22,060,140</u>	<u>-</u>	<u>\$ 427,684</u>	<u>-</u>	<u>\$ 21,632,456</u>
	<u>\$ 24,710,144</u>	<u>\$ 2,647,311</u>	<u>\$ 427,684</u>	<u>\$ (2,693)</u>	<u>\$ 21,632,456</u>
Project Balance					\$ 21,632,456
Less: Authorized But Not Issued					<u>(22,060,140)</u>
Fund Balance - GAAP Basis, June 30, 2023					<u>\$ (427,684)</u>

**Recapitulation of Fund Balance**

Restricted for Capital Projects:	
Available for Capital Projects	\$ (3,525,872)
Year-End Encumbrances	<u>3,098,188</u>
Total Fund Balance - Restricted for Capital Projects	<u>\$ (427,684)</u>

**MAYWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Revenues and Other Financing Sources**

Revenues	
Interest on Deposit	\$ 1,209
	<u>1,209</u>
Total Revenues and Other Financing Sources	<u>1,209</u>

**Expenditures and Other Financing Uses**

Capital Outlays	
Legal Services	79,754
Other Purchased Professional and Technical Services	347,930
Other Financing Uses:	
Transfer to Capital Reserve	<u>3,902</u>
Total Expenditures and Other Financing Uses	<u>431,586</u>

Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(430,377)
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Fund Balance - Beginning of Year	<u>2,693</u>
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Fund Balance- End of Year	<u>\$ (427,684)</u>
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**Reconciliation to GAAP**

Fund Balance - Budgetary	\$ (427,684)
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Fund Balance - GAAP	<u>\$ (427,684)</u>
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**MAYWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
ENERGY SAVINGS INCENTIVE PROGRAM  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Interest	\$ 83		\$ 83	\$ 83
Lease Purchase Proceeds	2,374,921		2,374,921	2,374,921
Transfer from Capital Outlay	200,000		200,000	200,000
Transfer from Capital Reserve	75,000	\$ (2,693)	72,307	72,307
	<u>2,650,004</u>	<u>(2,693)</u>	<u>2,647,311</u>	<u>2,647,311</u>
<b>Total Revenues</b>	<b>2,650,004</b>	<b>(2,693)</b>	<b>2,647,311</b>	<b>2,647,311</b>
<b>EXPENDITURES AND OTHER FINANCING SOURCES</b>				
Legal Services	20,000		20,000	20,000
Other Purchased Professional and Technical Services	602,032		602,032	602,032
Construction Services	2,025,279	-	2,025,279	2,025,279
	<u>2,647,311</u>	<u>-</u>	<u>2,647,311</u>	<u>2,647,311</u>
<b>Total Expenditures and Other Financing Uses</b>	<b>2,647,311</b>	<b>-</b>	<b>2,647,311</b>	<b>2,647,311</b>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ 2,693</u>	<u>\$ (2,693)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Original Authorized Cost	\$ 2,374,921			
Local Share	275,083			
Additional Authorized Cost/(Cancelled)	(2,693)			
Revised Authorized Cost	\$ 2,647,311			
Percentage Completion	100%			
Original Target Completion Date	June 2017			
Revised Target Completion Date	February 2018			

**MAYWOOD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
ENERGY SAVINGS INCENTIVE PROGRAM  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Serial Bond Proceeds	\$ -	\$ -	\$ -	\$ 22,060,140
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,060,140</u>
<b>EXPENDITURES AND OTHER FINANCING SOURCES</b>				
Legal Services		\$ 79,754	\$ 79,754	340,378
Other Purchased Professional and Technical Services		347,930	347,930	4,771,031
Construction Services				16,831,145
General Supplies	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,586</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>427,684</u>	<u>427,684</u>	<u>22,060,140</u>
Excess (deficiency) of Revenues over (under) Expenditures	<u>\$ -</u>	<u>\$ (427,684)</u>	<u>\$ (427,684)</u>	<u>\$ -</u>

Additional Project Information:				
Project Number	N/A	Add: Authorized Debt Not Issued		<u>\$ 22,060,140</u>
Grant Date	N/A			
Bond Authorization Date	45,107			
Bonds Issued	22,060,000			
Original Authorized Cost	\$ 22,060,140			
Additional Authorized Cost/(Cancelled)	-			
Revised Authorized Cost	\$ 22,060,140			

Percentage Completion	100%
Original Target Completion Date	June 2017
Revised Target Completion Date	February 2018

**PROPRIETARY FUNDS**

**EXHIBIT G-1**

**MAYWOOD BOARD OF EDUCATION  
PROPRIETARY FUNDS  
COMBINING SCHEDULE OF NET POSITION  
AS OF JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING SCHEDULE OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

**INTERNAL SERVICE FUND**

**NOT APPLICABLE**

**FIDUCIARY FUNDS**



**MAYWOOD BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2023**

**NOT APPLICABLE**

**MAYWOOD BOARD OF EDUCATION  
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOT APPLICABLE**

**LONG-TERM DEBT**



**MAYWOOD BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER LEASE CAPITAL FINANCING AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Issue</u>	<u>Interest Rate</u>	<u>Amount of Original Issue</u>	<u>Balance, July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>
Copier		\$ 119,844	\$ 97,562		\$ 23,095	\$ 74,467
School Buses	1.66%	222,955	134,676		44,154	90,522
ESIP Project	2.47%	2,374,921	<u>1,846,487</u>	-	<u>90,366</u>	<u>1,756,121</u>
			<u>\$ 2,078,725</u>	<u>\$ -</u>	<u>\$ 157,615</u>	<u>\$ 1,921,110</u>

**MAYWOOD BOARD OF EDUCATION  
LONG-TERM DEBT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Final Budget - Positive
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 756,000	-	\$ 756,000	\$ 756,000	-
Total Revenues	756,000	-	756,000	756,000	-
EXPENDITURES:					
Regular Debt Service:					
Interest	221,000		221,000	221,000	
Redemption of Principal	555,000		555,000	555,000	
Total Regular Debt Service	776,000	-	776,000	776,000	-
Total Expenditures	776,000	-	776,000	776,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,000)	-	(20,000)	(20,000)	-
OTHER FINANCING SOURCES(USES)					
Transfer from Capital Outlay to Debt Service	20,000		20,000	20,000	-
Total Other Financing Sources (Uses)	20,000	-	20,000	20,000	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

**MAYWOOD BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF SCHOOL LOANS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOT APPLICABLE**

## STATISTICAL SECTION

This part of the Maywood Board of Education's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

### Contents

### Exhibits

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

#### **Revenue Capacity**

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**MAYWOOD BOARD OF EDUCATION**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014 (Restated)	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 6,351,372	\$ 6,264,674	\$ 6,274,515	\$ 6,510,974	\$ 6,480,940	\$ 6,386,780	\$ 6,422,792	\$ 6,737,660	\$ 6,207,108	\$ 6,821,901
Restricted	157,392	98,994	248,994	337,953	367,164	497,583	1,096,285	1,380,548	1,398,566	939,490
Unrestricted	(1,885,465)	(1,871,126)	(1,755,098)	(1,935,071)	(1,936,733)	(2,293,580)	(2,412,871)	(1,284,849)	(339,257)	(421,225)
<b>Total Governmental Activities Net Position</b>	<b>\$ 4,623,299</b>	<b>\$ 4,492,542</b>	<b>\$ 4,768,411</b>	<b>\$ 4,913,856</b>	<b>\$ 4,911,371</b>	<b>\$ 4,590,783</b>	<b>\$ 5,106,206</b>	<b>\$ 6,833,359</b>	<b>\$ 7,266,417</b>	<b>\$ 7,340,166</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 1,057	\$ 3,828	\$ 2,640	\$ 1,823	\$ 1,013	\$ 202	\$ 8,679	\$ 6,509	\$ 4,340	\$ 2,170
Restricted										
Unrestricted	62,472	51,849	47,395	45,031	48,634	52,922	39,078	18,373	47,447	73,864
<b>Total Business-Type Activities Net Position</b>	<b>\$ 63,529</b>	<b>\$ 55,677</b>	<b>\$ 50,035</b>	<b>\$ 46,854</b>	<b>\$ 49,647</b>	<b>\$ 53,124</b>	<b>\$ 47,757</b>	<b>\$ 24,882</b>	<b>\$ 51,787</b>	<b>\$ 76,034</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 6,352,429	\$ 6,268,502	\$ 6,277,155	\$ 6,512,797	\$ 6,481,953	\$ 6,386,982	\$ 6,431,471	\$ 6,744,169	\$ 6,211,448	\$ 6,824,071
Restricted	157,392	98,994	248,994	337,953	367,164	497,583	1,096,285	1,380,548	1,398,566	939,490
Unrestricted	(1,822,993)	(1,819,277)	(1,707,703)	(1,890,040)	(1,888,099)	(2,240,658)	(2,373,793)	(1,266,476)	(291,810)	(347,361)
<b>Total District Net Position</b>	<b>\$ 4,686,828</b>	<b>\$ 4,548,219</b>	<b>\$ 4,818,446</b>	<b>\$ 4,960,710</b>	<b>\$ 4,961,018</b>	<b>\$ 4,643,907</b>	<b>\$ 5,153,963</b>	<b>\$ 6,858,241</b>	<b>\$ 7,318,204</b>	<b>\$ 7,416,200</b>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".



**MAYWOOD BOARD OF EDUCATION**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Regular	\$ 10,037,129	\$ 10,693,070	\$ 11,112,674	\$ 12,025,441	\$ 11,746,286	\$ 11,743,671	\$ 12,169,302	\$ 12,210,634	\$ 12,378,947	\$ 11,886,027
Special Education	3,958,848	4,551,240	5,107,862	5,414,290	5,283,349	5,608,336	4,695,369	5,549,232	5,032,016	6,463,582
Other Instruction	454,611	502,848	506,521	633,148	535,810	577,683	704,231	644,246	642,684	689,986
School Sponsored Activities And Athletics	79,495	87,485	87,632	100,650	107,310	112,454	101,384	59,193	140,441	194,455
Community Services	5,360	6,209	6,549	7,146						
Support Services:										
Student & Instruction Related Services	1,601,467	1,986,708	1,668,171	1,807,689	2,273,335	2,324,193	2,275,455	2,576,396	2,763,601	3,154,402
School Administrative Services	465,467	514,773	570,507	630,824	575,475	615,094	574,675	615,754	546,162	662,599
General Administration	440,689	541,477	521,160	588,308	608,256	611,701	689,349	628,909	587,537	678,976
Central Services	301,508	402,566	541,772	614,821	489,686	550,003	503,734	564,907	525,553	556,134
Plant Operations And Maintenance	1,733,694	1,841,985	1,959,383	2,156,981	2,256,677	2,328,146	1,893,880	1,948,556	2,631,877	2,305,935
Pupil Transportation	574,252	479,424	557,414	542,935	540,897	589,058	804,854	499,296	902,562	1,353,986
Interest On Long-Term Debt	391,334	358,390	359,274	383,491	367,654	350,552	333,593	313,488	297,452	271,093
<b>Total Governmental Activities Expenses</b>	<b>20,043,854</b>	<b>21,966,175</b>	<b>22,998,919</b>	<b>24,905,724</b>	<b>24,784,735</b>	<b>25,410,891</b>	<b>24,745,826</b>	<b>25,610,611</b>	<b>26,448,832</b>	<b>28,217,175</b>
<b>Business-Type Activities:</b>										
Food Service	302,132	309,291	301,339	307,706	296,568	297,522	218,777	101,082	373,332	379,523
<b>Total Business-Type Activities Expense</b>	<b>302,132</b>	<b>309,291</b>	<b>301,339</b>	<b>307,706</b>	<b>296,568</b>	<b>297,522</b>	<b>218,777</b>	<b>101,082</b>	<b>373,332</b>	<b>379,523</b>
<b>Total District Expenses</b>	<b>\$ 20,345,986</b>	<b>\$ 22,275,466</b>	<b>\$ 23,300,258</b>	<b>\$ 25,213,430</b>	<b>\$ 25,081,303</b>	<b>\$ 25,708,413</b>	<b>\$ 24,964,603</b>	<b>\$ 25,711,693</b>	<b>\$ 26,822,164</b>	<b>\$ 28,596,698</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Operating Grants And Contributions	\$ 2,402,554	\$ 3,912,996	\$ 4,608,922	\$ 5,807,572	\$ 5,180,825	\$ 5,160,744	\$ 4,861,205	\$ 6,682,260	\$ 5,842,667	\$ 6,752,809
Charges for Services	163,697	193,064	246,424	58,885	34,000	82,176	44,650	20,757	58,973	87,406
Capital Grants And Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>2,566,251</b>	<b>4,106,060</b>	<b>4,855,346</b>	<b>5,866,457</b>	<b>5,214,825</b>	<b>5,242,920</b>	<b>4,905,855</b>	<b>6,703,017</b>	<b>5,901,640</b>	<b>6,840,215</b>
<b>Business-Type Activities:</b>										
Charges For Services										
Food Service	191,014	190,305	199,132	213,004	214,011	213,723	148,626		26,500	219,861
Operating Grants And Contributions	110,438	111,134	96,565	91,521	85,350	87,276	64,784	78,207	373,737	183,909
<b>Total Business Type Activities Program Revenues</b>	<b>301,452</b>	<b>301,439</b>	<b>295,697</b>	<b>304,525</b>	<b>299,361</b>	<b>300,999</b>	<b>213,410</b>	<b>78,207</b>	<b>400,237</b>	<b>403,770</b>
<b>Total District Program Revenues</b>	<b>\$ 2,867,703</b>	<b>\$ 4,407,499</b>	<b>\$ 5,151,043</b>	<b>\$ 6,170,982</b>	<b>\$ 5,514,186</b>	<b>\$ 5,543,919</b>	<b>\$ 5,119,265</b>	<b>\$ 6,781,224</b>	<b>\$ 6,301,877</b>	<b>\$ 7,243,985</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (17,477,603)	\$ (17,860,115)	\$ (18,143,573)	\$ (19,039,267)	\$ (19,569,910)	\$ (20,167,971)	\$ (19,839,971)	\$ (18,907,594)	\$ (20,547,192)	\$ (21,376,960)
Business-Type Activities	(680)	(7,852)	(5,642)	(3,181)	2,793	3,477	(5,367)	(22,875)	26,905	24,247
<b>Total District-Wide Net Expense</b>	<b>\$ (17,478,283)</b>	<b>\$ (17,867,967)</b>	<b>\$ (18,149,215)</b>	<b>\$ (19,042,448)</b>	<b>\$ (19,567,117)</b>	<b>\$ (20,164,494)</b>	<b>\$ (19,845,338)</b>	<b>\$ (18,930,469)</b>	<b>\$ (20,520,287)</b>	<b>\$ (21,352,713)</b>

**MAYWOOD BOARD OF EDUCATION**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes Levied For General Purposes, Net	\$ 15,723,416	\$ 16,431,138	\$ 17,116,748	\$ 17,794,387	\$ 18,150,275	\$ 18,598,281	\$ 19,083,295	\$ 19,494,961	\$ 19,787,387	\$ 20,103,985
Taxes Levied For Debt Service	753,943	786,243	781,553	777,850	776,600	778,100	754,175	752,225	757,000	756,000
State Aid, Unrestricted	431,422	404,408	348,064	344,441	328,574	342,216	322,302	321,572	325,309	324,904
Investment Earnings	6,428	2,025	1,196	1,302	2,459	14,022	8,587	4,176	2,050	53,242
Donation of Capital Assets	3,327									
Miscellaneous Income	1,835	105,544	171,881	266,732	309,517	114,764	58,401	61,813	108,504	212,578
<b>Total Governmental Activities</b>	<u>16,920,371</u>	<u>17,729,358</u>	<u>18,419,442</u>	<u>19,184,712</u>	<u>19,567,425</u>	<u>19,847,383</u>	<u>20,226,760</u>	<u>20,634,747</u>	<u>20,980,250</u>	<u>21,450,709</u>
Business-Type Activities:										
Investment Earnings	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total District-Wide</b>	<u>\$ 16,920,371</u>	<u>\$ 17,729,358</u>	<u>\$ 18,419,442</u>	<u>\$ 19,184,712</u>	<u>\$ 19,567,425</u>	<u>\$ 19,847,383</u>	<u>\$ 20,226,760</u>	<u>\$ 20,634,747</u>	<u>\$ 20,980,250</u>	<u>\$ 21,450,709</u>
<b>Change in Net Position</b>										
Governmental Activities	\$ (557,232)	\$ (130,757)	\$ 275,869	\$ 145,445	\$ (2,485)	\$ (320,588)	\$ 386,789	\$ 1,727,153	\$ 433,058	\$ 73,749
Business-Type Activities	(680)	(7,852)	(5,642)	(3,181)	2,793	3,477	(5,367)	(22,875)	26,905	24,247
<b>Total District</b>	<u>\$ (557,912)</u>	<u>\$ (138,609)</u>	<u>\$ 270,227</u>	<u>\$ 142,264</u>	<u>\$ 308</u>	<u>\$ (317,111)</u>	<u>\$ 381,422</u>	<u>\$ 1,704,278</u>	<u>\$ 459,963</u>	<u>\$ 97,996</u>

**MAYWOOD BOARD OF EDUCATION**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023
General Fund										
Reserved										
Unreserved										
Restricted	\$ 1,194,182	\$ 1,116,399	\$ 1,364,627	\$ 1,488,481	\$ 1,355,986	\$ 1,374,144	\$ 1,882,636	\$ 2,602,552	\$ 2,703,949	\$ 2,518,808
Committed		58,419								
Assigned	445,739	405,667	459,868	372,600	593,733	353,783	329,088	391,569	730,042	820,841
Unassigned	<u>306,654</u>	<u>285,544</u>	<u>288,802</u>	<u>331,097</u>	<u>311,264</u>	<u>291,325</u>	<u>257,343</u>	<u>662,528</u>	<u>748,275</u>	<u>371,519</u>
Total General Fund	<u>\$ 1,946,575</u>	<u>\$ 1,866,029</u>	<u>\$ 2,113,297</u>	<u>\$ 2,192,178</u>	<u>\$ 2,260,983</u>	<u>\$ 2,019,252</u>	<u>\$ 2,469,067</u>	<u>\$ 3,656,649</u>	<u>\$ 4,182,266</u>	<u>\$ 3,711,168</u>
All Other Governmental Funds										
Reserved										
Unreserved										
Restricted			\$ 1,311,780	\$ 22,453	\$ 2,693	\$ 2,693	\$ 32,415	\$ 31,572	\$ 21,512	\$ (408,053)
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,311,780</u>	<u>\$ 22,453</u>	<u>\$ 2,693</u>	<u>\$ 2,693</u>	<u>\$ 32,415</u>	<u>\$ 31,572</u>	<u>\$ 21,512</u>	<u>\$ (408,053)</u>

Note: Fund balance at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

**MAYWOOD BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax Levy	\$ 16,477,359	\$ 17,217,381	\$ 17,898,301	\$ 18,572,237	\$ 18,926,875	\$ 19,376,381	\$ 19,837,470	\$ 20,247,186	\$ 20,544,387	\$ 20,859,985
Tuition	121,155	140,927	194,168	58,885	34,000	82,176	44,650	-	-	-
Interest Earnings	6,428	2,025	1,196	1,302	2,459	14,022	8,587	4,176	2,050	53,242
Miscellaneous	4,059	108,062	172,881	267,732	309,517	114,764	58,401	82,570	167,477	299,984
State Sources	2,419,493	2,589,177	2,806,894	3,083,350	3,273,668	3,517,630	3,845,002	4,400,174	5,610,131	5,799,285
Federal Sources	412,259	420,021	427,248	398,440	415,082	412,941	472,437	589,987	925,039	1,321,389
<b>Total Revenue</b>	<b>19,440,753</b>	<b>20,477,593</b>	<b>21,500,688</b>	<b>22,381,946</b>	<b>22,961,601</b>	<b>23,517,914</b>	<b>24,266,547</b>	<b>25,324,093</b>	<b>27,249,084</b>	<b>28,333,885</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	9,979,107	9,982,486	10,315,417	10,630,236	10,788,378	10,936,567	11,672,511	11,317,436	12,613,860	11,985,014
Special Education Instruction	3,916,306	4,199,973	4,622,170	4,782,965	4,872,688	5,244,852	4,491,040	5,112,281	5,160,818	6,516,507
Other Instruction	454,611	461,135	432,098	518,519	462,096	506,996	654,327	561,843	670,290	699,583
School Sponsored Activities and Athletics	79,495	77,637	83,863	82,857	93,934	108,754	101,384	56,100	139,394	195,775
Community Services	5,360	5,469	5,611	5,730						
<b>Support Services:</b>										
Student and Inst. Related Services	1,599,569	1,841,099	1,502,347	1,530,753	2,054,929	2,144,448	2,177,544	2,331,603	2,859,352	3,201,770
General Administration	439,954	426,849	473,046	508,822	550,648	564,912	664,473	570,369	602,607	684,738
School Administrative Services	464,825	476,921	498,714	519,955	510,060	561,650	546,964	558,922	587,857	645,104
Central Services	294,265	369,514	477,784	513,957	435,878	510,563	479,208	507,763	540,325	558,590
Plant Operations And Maintenance	1,201,014	1,322,162	1,393,855	1,466,626	1,571,083	1,640,332	1,372,073	1,424,220	1,606,889	1,737,779
Pupil Transportation	574,252	475,551	551,092	530,829	535,051	583,289	817,318	473,847	878,436	1,317,223
Other Support Services										
Charter Schools										
Capital Outlay	3,327	98,339	1,144,250	1,564,358	33,212	35,857	14,664	490,161	206,933	708,510
<b>Debt Service:</b>										
Payments to Refunding Escrow Agent										
Cost of Issuance of Refunding Bonds		77,284								
Principal	435,458	456,147	491,852	560,830	640,514	574,596	593,469	642,833	690,607	712,615
Interest and Other Charges	382,761	364,857	324,462	375,955	364,085	346,829	330,669	312,931	296,003	271,340
<b>Total Expenditures</b>	<b>19,830,304</b>	<b>20,635,423</b>	<b>22,316,561</b>	<b>23,592,392</b>	<b>22,912,556</b>	<b>23,759,645</b>	<b>23,915,644</b>	<b>24,360,309</b>	<b>26,853,371</b>	<b>29,234,548</b>
<b>Excess (Deficiency) of Revenues</b>										
Over (Under) Expenditures	(389,551)	(157,830)	(815,873)	(1,210,446)	49,045	(241,731)	350,903	963,784	395,713	(900,663)

**MAYWOOD BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Other Financing Sources (Uses)</b>										
Payments to Refunding Escrow Agent		\$ (1,580,969)								
Refunding Bonds Proceeds		1,600,000								
Premium on Issuance of Refunding Bond		58,253								
Capital Leases (Non-Budgeted)										
Lease Purchase Proceeds			\$ 2,374,921					\$ 222,955	\$ 144,844	\$ -
Cost of Issuance										
Premium on Sale of Bonds										
Transfers In				\$ 275,000		\$ 18,531	\$ 25,000	25,000		23,902
Transfers Out	-	-	-	(275,000)	-	(18,531)	(25,000)	(25,000)	(25,000)	(23,902)
<b>Total Other Financing Sources (Uses)</b>	-	77,284	2,374,921	-	-	-	-	222,955	119,844	-
<b>Net Change in Fund Balances</b>	\$ (389,551)	\$ (80,546)	\$ 1,559,048	\$ (1,210,446)	\$ 49,045	\$ (241,731)	\$ 350,903	\$ 1,186,739	\$ 515,557	\$ (900,663)
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	4.13%	4.00%	3.86%	4.25%	4.39%	3.88%	3.87%	4.00%	3.70%	3.45%

\* Noncapital expenditures are total expenditures less capital outlay.

MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Unaudited)

<u>Fiscal Year Ended June 30</u>	<u>Interest on Deposits</u>	<u>Prior Year Accounts Payable Cancelled</u>	<u>Tuition</u>	<u>E-Rate</u>	<u>Energy Rebates</u>	<u>Facility Use Fees</u>	<u>Shared Service Agreements</u>	<u>Chromebook Fees</u>	<u>Misc.</u>	<u>Total</u>
2014	\$ 6,428		\$ 121,155						1,835	129,418
2015	2,025	\$ 14,519	140,927						93,543	251,014
2016	1,144	12,889	194,168	\$ 40,085		\$ 22,000	\$ 85,000		11,907	367,193
2017	1,271		58,885	37,267	\$ 46,082	27,200	110,000		46,183	326,888
2018	2,459		34,000	34,854	121,498	23,500	57,518		72,147	345,976
2019	14,022		82,176		1,124	28,490	15,960		69,190	210,962
2020	8,587		44,650	12,925		20,215			25,261	111,638
2021	4,176					34,093			27,720	65,989
2022	2,050		5,777	21,976		25,850		17,850	37,051	110,554
2023	52,033		26,500	23,280		25,425	85,709	31,640	20,024	264,611

Source: District's financial records

MAYWOOD BOARD OF EDUCATION  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>a</sup>
2014	\$ 10,749,900	\$ 866,685,400	\$ 121,041,800	\$ 91,765,500	\$ 52,484,700	\$ 1,142,727,300	\$ 92,580	\$ 1,142,819,880	\$ 1,240,874,253	\$ 1.477
2015	10,749,900	868,321,900	121,041,800	106,765,500	52,484,700	1,159,363,800	60,490	1,159,424,290	1,287,462,683	1.516
2016	11,087,500	871,710,800	120,446,300	105,867,600	52,320,100	1,161,432,300	90,490	1,161,522,790	1,300,816,824	1.570
2017	10,749,900	875,002,500	119,726,900	99,665,500	52,320,100	1,157,464,900	86,390	1,157,551,290	1,286,169,100	1.621
2018	10,718,000	876,502,300	118,698,400	99,333,200	52,320,100	1,157,572,000	86,390	1,157,658,390	1,372,415,032	1.656
2019	10,522,800	876,793,900	115,256,400	93,968,300	52,320,100	1,148,861,500	86,390	1,148,947,890	1,429,287,758	1.707
2020	10,526,200	880,229,000	113,721,400	97,494,800	52,320,100	1,154,291,500	80,380	1,154,371,880	1,499,690,766	1.741
2021	18,579,800	1,129,018,300	163,047,600	120,346,700	79,755,300	1,510,747,700	80,380	1,510,828,080	1,492,660,269	1.348
2022	61,823,900	1,225,479,100	170,197,100	103,267,700	88,017,400	1,648,785,200	80,380	1,648,865,580	1,643,984,669	1.257
2023	70,514,700	1,349,942,700	176,456,500	110,805,400	100,969,300	1,808,688,600	100,000	1,808,788,600	1,849,603,463	1.170

Source: County Abstract of Ratables

a Tax rates are per \$100

**MAYWOOD BOARD OF EDUCATION  
PROPERTY TAX RATES  
PER \$100 OF ASSESSED VALUATION  
LAST TEN YEARS  
(Unaudited)**

<b><u>Calendar Year</u></b>	<b><u>Total</u></b>	<b><u>Local School District</u></b>	<b><u>Municipality</u></b>	<b><u>County</u></b>
2014	\$ 2.782	\$ 1.477	\$ 1.054	\$ 0.251
2015	2.822	1.516	1.039	0.267
2016	2.902	1.570	1.057	0.275
2017	2.994	1.621	1.082	0.291
2018	3.043	1.656	1.101	0.286
2019	3.112	1.707	1.101	0.304
2020	3.160	1.741	1.096	0.323
2021	2.434	1.348	0.837	0.249
2022	2.282	1.257	0.784	0.241
2023	2.153	1.170	0.738	0.245

Source: Tax Duplicate, Borough of Maywood



**MAYWOOD BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAXPAYERS,  
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
Duke Realty	\$ 53,800,000	2.97%		
S.W.S. Realty	25,471,600	1.41%	\$ 8,000,000	0.64%
Kin Properties Inc.			22,434,400	1.81%
Vornado Bergen Mall			21,032,000	1.69%
UE Bergen Mall LLC	20,106,500	1.11%	-	
Adler (etal), Myron	18,357,600	1.01%	11,884,500	0.96%
Stephan Company			14,592,700	1.18%
Maywood SNF Realty LLC	13,334,300	0.74%		
Maywood Sherwood Village LLC	12,143,700	0.67%		
Stephan Company	11,840,100	0.65%	13,201,700	1.06%
Essex Gardens, LLC	11,471,700	0.63%	10,233,700	0.82%
Maybrook Gardens	11,339,200	0.63%	10,482,600	0.84%
Trumed Properties	10,872,400	0.60%	-	
Maywood Developers LLC			10,243,500	0.83%
Maywood Health Care Realty LLC			7,909,000	0.64%
1st Real Estate			7,120,000	0.57%
Roy and John Sommerhalter	-	0.00%	4,793,000	0.39%
	<u>\$ 188,737,100</u>	<u>10.44%</u>	<u>\$ 141,927,100</u>	<u>11.44%</u>

Source: Municipal Tax Assessor

**MAYWOOD BOARD OF EDUCATION  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 16,477,359	\$ 16,477,359	100.00%	-
2015	17,217,381	17,217,381	100.00%	-
2016	17,898,301	17,898,301	100.00%	-
2017	18,572,237	18,572,237	100.00%	-
2018	18,926,875	18,926,875	100.00%	-
2019	19,376,381	19,376,381	100.00%	-
2020	19,837,470	19,837,470	100.00%	-
2021	20,247,186	20,247,186	100.00%	-
2022	20,544,387	20,544,387	100.00%	-
2023	20,859,985	20,859,985	0.00%	-

Source: District's financial records

**MAYWOOD BOARD OF EDUCATION  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Population	Per Capita
	General Obligation Bonds	Loans	Capital Leases and Lease Purchases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2014	\$ 10,452,000		\$ 156,853	N/A	N/A	\$ 10,608,853	9,764	\$ 1,087
2015	10,080,000		125,706	N/A	N/A	10,205,706	9,801	1,041
2016	9,620,000		2,468,775	N/A	N/A	12,088,775	9,819	1,231
2017	9,160,000		2,367,945	N/A	N/A	11,527,945	9,860	1,169
2018	8,690,000		2,197,431	N/A	N/A	10,887,431	9,694	1,123
2019	8,205,000		2,107,835	N/A	N/A	10,312,835	9,614	1,073
2020	7,705,000		2,014,266	N/A	N/A	9,719,266	9,566	1,016
2021	7,190,000		2,109,488	N/A	N/A	9,299,488	10,014	929
2022	6,650,000		2,078,725	N/A	N/A	8,728,725	10,000	873
2023	6,095,000		1,921,110	N/A	N/A	8,016,110	10,000 *	802

Source: District records

\*Estimate

**MAYWOOD BOARD OF EDUCATION**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 10,452,000	-	\$ 10,452,000	0.91%	1,087
2015	10,080,000	-	10,080,000	0.91%	1,041
2016	9,620,000	-	9,620,000	0.82%	1,231
2017	9,160,000	-	9,160,000	0.79%	1,169
2018	8,690,000	-	8,690,000	0.75%	1,123
2019	8,205,000	-	8,205,000	0.71%	1,073
2020	7,705,000	-	7,705,000	0.67%	1,016
2021	7,190,000	-	7,190,000	0.48%	929
2022	6,650,000	-	6,650,000	0.40%	873
2023	6,095,000	-	6,095,000	0.34%	802 *

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

\* Estimate

**MAYWOOD BOARD OF EDUCATION  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022  
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Borough of Maywood School District	\$ 6,185,000	\$ 6,185,000	
Borough of Maywood	<u>18,057,876</u>	<u>311,290</u>	\$ 17,746,586
Total Direct Debt	<u>\$ 24,242,876</u>	<u>\$ 6,496,290</u>	17,746,586
Overlapping Debt Apportioned to the Municipality:			
Bergen County: (3);(A):			
County of Bergen (A)			12,742,679
Bergen County Utilities Authority - Water Pollution (B)			<u>3,520,117</u>
			<u>16,262,796</u>
Total Direct and Overlapping Debt			<u>\$ 34,009,382</u>

(A) The debt for this entity was apportioned to the Borough of Maywood by dividing the Municipality's 2022 equalized value by the total 2022 equalized value for Bergen County.

(B) Overlapping Debt was computed based upon municipal flow to the Authority.

Sources:

- (1) Borough of Maywood Annual Debt Statement
- (2) BCUA 2022 Audit
- (3) Bergen County 2022 Annual Debt Statement

MAYWOOD BOARD OF EDUCATION  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis

2022	\$ 1,873,193,820
2021	1,625,333,728
2020	<u>1,460,943,551</u>
	<u>\$ 4,959,471,099</u>

Average equalized valuation of taxable property

	<u>\$ 1,653,157,033</u>
--	-------------------------

Debt limit (3 % of average equalization value)  
 Total Net Debt Applicable to Limit  
 Legal debt margin

	\$ 49,594,711 <sup>a</sup>
	<u>28,155,140</u>
	<u>\$ 21,439,571</u>

Fiscal Year

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 38,392,110	\$ 37,723,443	\$ 37,856,944	\$ 38,994,298	\$ 40,026,708	\$ 41,505,930	\$ 42,924,245	\$ 43,873,053	\$ 45,725,147	\$ 49,594,711
Total Net Debt Applicable to Limit	<u>10,452,000</u>	<u>10,080,000</u>	<u>9,620,000</u>	<u>9,160,000</u>	<u>8,690,000</u>	<u>8,205,000</u>	<u>7,705,000</u>	<u>7,190,000</u>	<u>6,650,000</u>	<u>6,185,000</u>
Legal Debt Margin	<u>\$ 27,940,110</u>	<u>\$ 27,643,443</u>	<u>\$ 28,236,944</u>	<u>\$ 29,834,298</u>	<u>\$ 31,336,708</u>	<u>\$ 33,300,930</u>	<u>\$ 35,219,245</u>	<u>\$ 36,683,053</u>	<u>\$ 39,075,147</u>	<u>\$ 43,409,711</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27.22%	26.72%	25.41%	23.49%	21.71%	19.77%	17.95%	16.39%	14.54%	12.47%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,  
 Department of Treasury, Division of Taxation

<sup>a</sup> Limit set by NJS A 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

**MAYWOOD BOARD OF EDUCATION  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

<u>Year Ended December 31,</u>	<u>Unemployment Rate</u>	<u>Per Capita Income(1)</u>	<u>Population</u>
2013	7.9%	\$ 71,286	9,726
2014	5.5%	73,883	9,764
2015	4.6%	77,323	9,801
2016	4.1%	78,836	9,819
2017	3.7%	81,024	9,860
2018	3.3%	85,191	9,694
2019	2.9%	88,241	9,614
2020	10.0%	91,972	9,566
2021	5.9%	\$ 97,343	10,014
2022	3.4%	N/A	10,000

Source: United States Bureau of Census  
School District Records

(1) Bergen County Per Capita Income

MAYWOOD BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

	<u>2023</u>		<u>2014</u>	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE



**MAYWOOD BOARD OF EDUCATION  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 FOR THE 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>
<b>Instruction</b>										
Regular	59	60	69	71	70	71	72	70	70	72
Special Education	15	14	18	17	15	17	18	18	18	20
Other Special Education	22	23	30	28	28	32	30	30	30	34
Vocational										
Other Instruction										
Nonpublic School Programs										
Adult/Continuing Education Programs										
<b>Support Services:</b>										
Student and Instruction Related Services	10	10	10	10	10	10	10	10	10	12
General Administration	2	2	2	2	2	2	2	2	2	2
School Administrative Services	2	2	2	2	2	2	2	2	2	2
Other Administrative Services	5	5	5	5	5	5	5	5	5	5
Central Services	4	4	5	5	5	5	5	5	5	5
Administrative Information Technology	-	-	-	-	-	-	-	-	-	-
Plant Operations And Maintenance	10	10	10	10	10	10	10	10	10	10
Pupil Transportation								2	2	6
Other Support Services										
<b>Special Schools</b>										
Food Service										
Child Care	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<u>129</u>	<u>130</u>	<u>151</u>	<u>150</u>	<u>147</u>	<u>154</u>	<u>154</u>	<u>154</u>	<u>154</u>	<u>168</u>

Source: District Personnel Records

MAYWOOD BOARD OF EDUCATION  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 (Unaudited)

Fiscal Year	Enrollment <sup>a</sup>	Pupil/Teacher Ratio								Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
		Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Elementary	Middle School	Senior High School					
2014	967	\$ 14,794,158	\$ 15,299	1.00%	96.00	1:10	N/A	N/A	965	926	1.26%	95.96%	
2015	943	15,573,578	16,515	7.95%	97.00	1:10	N/A	N/A	945	907	-2.07%	95.98%	
2016	969	16,592,633	17,123	3.68%	117.00	1:8	N/A	N/A	967	926	2.33%	95.76%	
2017	976	17,214,211	17,638	3.00%	116.00	1:8	N/A	N/A	976	936	0.93%	95.90%	
2018	984	18,120,643	18,415	4.41%	112.00	1:8	N/A	N/A	976	941	0.00%	96.41%	
2019	990	19,334,938	19,530	6.05%	120.00	1:8	N/A	N/A	996	956	2.05%	95.98%	
2020	983	22,976,842	23,374	19.68%	120.00	1:8	N/A	N/A	978	950	-1.81%	97.14%	
2021	940	22,914,384	24,377	4.29%	118.00	1:8	N/A	N/A	944	927	-3.48%	98.20%	
2022	925	25,659,828	27,740	13.80%	120.00	1:8	N/A	N/A	909	853	-3.71%	93.84%	
2023	945	27,542,083	29,145	5.06%	126.00	1:8	N/A	N/A	953	896	4.84%	94.02%	

Sources: District records

- Note:
- a Enrollment based on annual October district count.
  - b Operating expenditures equal total expenditures less debt service, capital outlay and H.S. regular tuition.
  - c Cost per pupil represents operating expenditures divided by enrollment.

MAYWOOD BOARD OF EDUCATION  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS  
 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b><u>District Building</u></b>										
<u>Elementary</u>										
Square Feet	54,138	54,138	54,138	54,138	54,138	54,138	54,138	54,138	54,138	54,138
Capacity (students)	463	463	463	463	463	463	463	463	463	463
Enrollment	440	440	446	445	413	414	420	384	413	431
<u>Middle School</u>										
Square Feet	98,583	98,583	98,583	98,583	98,583	98,583	98,583	98,583	98,583	98,583
Capacity (students)	590	590	590	590	590	590	590	590	590	590
Enrollment	527	527	523	531	571	576	563	556	512	514

Number of Schools at June 30, 2022  
 Elementary =  
 Middle School =  
 Senior High School =  
 Other =

Source: District Records

MAYWOOD BOARD OF EDUCATION  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS ENDED JUNE 30,  
(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>
School Facilities										
Maywood Ave. School	\$ 185,987	\$ 192,327	\$ 180,373	\$ 216,088	\$ 245,588	\$ 149,819	\$ 102,176	\$ 193,924	\$ 125,743	\$ 170,015
Memorial School	<u>96,066</u>	<u>99,340</u>	<u>99,054</u>	<u>118,667</u>	<u>134,867</u>	<u>272,815</u>	<u>186,059</u>	<u>111,517</u>	<u>228,974</u>	<u>309,591</u>
Grand Total	<u>\$ 282,053</u>	<u>\$ 291,667</u>	<u>\$ 279,427</u>	<u>\$ 334,755</u>	<u>\$ 380,455</u>	<u>\$ 422,634</u>	<u>\$ 288,235</u>	<u>\$ 305,441</u>	<u>\$ 354,717</u>	<u>\$ 479,606</u>

Source: District records

**MAYWOOD BOARD OF EDUCATION  
SCHEDULE OF INSURANCE  
AS OF JUNE 30, 2023  
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
American Alternative Insurance Company		
Property	\$ 45,056,690	\$ 2,500
Electronic Data Processing	3,000,000	
Boiler & Machinery	50,000,000	2,500
Crime Coverage	50,000	1,000
Comprehensive General Liability	3,000,000	
Bodily Injury & Property Damage	1,000,000	
Personal Injury & Advertising Injury	1,000,000	
Employee Benefit Liability	1,000,000	
Automobile		
Combined Single Limit for Bodily Injury	1,000,000	
Uninsured/Underinsured Motorists	35,000	
Public Employees' Faithful Performance Blanket	500,000	5,000

Source: School District's records

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Maywood Board of Education  
Maywood, New Jersey

We have audited, in accordance with the 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Maywood Board of Education as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Maywood Board of Education's basic financial statements and have issued our report thereon dated February 6, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Maywood 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 Maywood Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Maywood 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-01 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**


As part of obtaining reasonable assurance about whether the Maywood Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matter that is 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 and which is described in the accompanying schedule of findings and questioned costs as item 2023-01.

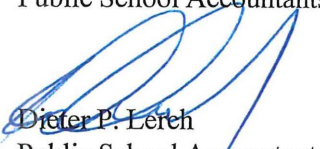
### **Maywood Board of Education's Response to Finding**

Government Auditing Standards requires the auditor to perform limited procedures on the Maywood Board of Education's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Maywood Board of Education's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 Maywood Board of Education'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 Maywood Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 6, 2024





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
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CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE  
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS  
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Maywood Board of Education  
Maywood, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Maywood Board of Education's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Maywood Board of Education's major federal and state programs for the fiscal year ended June 30, 2023. The Maywood Board of Education'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 Maywood Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit 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; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular 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 Maywood Board of Education and to meet our other ethical responsibilities, in accordance with relevant 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 Maywood Board of Education'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, regulation, rules, and provisions of contracts or grant agreements applicable to the Maywood Board of Education'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 Maywood Board of Education'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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 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 omission, misrepresentation, 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 Maywood Board of Education'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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Maywood Board of Education'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 Maywood Board of Education'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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Maywood Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

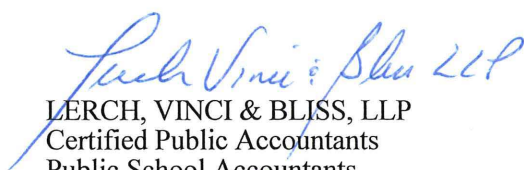
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

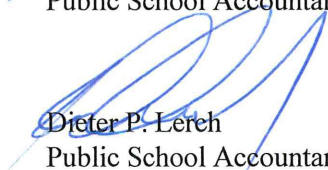
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

**Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Maywood Board of Education, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 6, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 6, 2024

MAYWOOD BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal A.L. Number	FAIN Number	Grant Period	Award Amount	June 30, 2022			Cash Received	Budgetary Expenditures	June 30, 2023		(Memo) GAAP Receivable
					Accounts Receivable	Unearned Revenue	Carryover Amount			Accounts Receivable	Unearned Revenue	
<b>U.S. Department of Agriculture</b>												
<b>Food Service Fund</b>												
Non-Cash Assistance (Food Distribution Program)	10.555	221NJ304N1099	7/1/21-6/30/22	19,689		\$ 396		\$ 396				-
Non-Cash Assistance (Food Distribution Program)	10.555	231NJ304N1099	7/1/22-6/30/23	24,422			\$ 24,422	23,164		\$ 1,258		-
Supply Chain Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	55,952				55,952				-
National School Lunch Program Cash Assistance	10.555	221NJ304N1099	7/1/21-6/30/22	346,272	\$ (21,092)			21,092				-
National School Lunch Program Cash Assistance	10.555	231NJ304N1099	7/1/22-6/30/23	99,050	-	-	-	91,609	99,050	\$ (7,441)	-	\$ (7,441)
<b>Total Child Nutrition Cluster/Food Service Fund</b>					<b>(21,092)</b>	<b>396</b>	<b>-</b>	<b>193,075</b>	<b>178,562</b>	<b>(7,441)</b>	<b>1,258</b>	<b>(7,441)</b>
<b>U.S. Department of Education Passed-through State Dept. of Education</b>												
<b>Special Revenue Fund</b>												
I.D.E.A. Part B, Basic	84.027A	H027A210100	7/1/21-9/30/22	242,009	(25,455)			25,455		-		-
I.D.E.A. Part B, Basic	84.027A	H027A220100	7/1/22-9/30/23	243,514				238,630	243,514	(4,884)	-	(4,884)
I.D.E.A. Part B, Preschool	84.173	H173A220114	7/1/22-9/30/23	11,361	-	-	-	11,361	11,361	-	-	-
<b>Total Special Education Cluster (IDEA)</b>					<b>(25,455)</b>	<b>-</b>	<b>-</b>	<b>275,446</b>	<b>254,875</b>	<b>(4,884)</b>	<b>-</b>	<b>(4,884)</b>
E.S.E.A. Title I-A	84.010	S010A210030	7/1/21-9/30/22	64,941	(6,728)			6,728		-		-
E.S.E.A. Title I-A	84.010	S010A220030	7/1/22-9/30/23	128,880				117,803	125,016	(11,077)	3,864	(7,213)
E.S.E.A. Title II-A	84.367A	S367A220029	7/1/22-9/30/23	25,621	-			25,621	25,621	-	-	-
E.S.E.A. Title IV	84.424A	S424A210031	7/1/21-9/30/22	10,000	(674)			674		-		-
E.S.E.A. Title IV	84.424A	S424A220031	7/1/22-9/30/23	8,892	-	-	-	8,405	8,407	(487)	485	(2)
<b>Total E.S.E.A.</b>					<b>(7,402)</b>	<b>-</b>	<b>-</b>	<b>159,231</b>	<b>159,044</b>	<b>(11,564)</b>	<b>4,349</b>	<b>(7,215)</b>
Additional or Compensatory Special Education and Related Services (ACSERS)	21.027	SLFRFDOE1SES	7/1/21-6/30/22	109,367	(109,367)			109,367		-		-
Additional or Compensatory Special Education and Related Services (ACSERS)	21.027	SLFRFDOE1SES	7/1/22-6/30/23	140,742	-	-	-	62,279	140,742	(78,463)	-	(78,463)
<b>Total ACSERS</b>					<b>(109,367)</b>	<b>-</b>	<b>-</b>	<b>171,646</b>	<b>140,742</b>	<b>(78,463)</b>	<b>-</b>	<b>(78,463)</b>
<i>Elementary and Secondary School Emergency Relief (ESSER II)</i>												
<i>Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act</i>												
ESSER II	84.425D	S425D200027	3/13/20-9/30/23	431,735	(213,757)	100,782		212,097	100,782	(1,660)	-	(1,660)
Learning	84.425D	S425D200027	3/13/20-9/30/23	27,707	(5,851)	5,851		3,200	5,851	(2,651)	-	(2,651)
Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	(9,860)	5,955		6,604	5,955	(3,256)	-	(3,256)
<i>American Rescue Plan</i>												
<i>Elementary and Secondary School Emergency Relief (ARP ESSER)</i>												
ESSER	84.425U	S425U210027	3/13/20-9/30/24	970,297	(970,297)	920,918		404,158	541,257	(566,139)	379,661	(186,478)
Accelerated Learning	84.425U	S425U210027	3/13/20-9/30/24	105,979	(105,979)	105,979		30,728	42,692	(75,251)	63,287	(11,964)
Summer Learning	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	35,000		17,533	13,079	(22,467)	21,921	(546)
Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(40,000)	39,623		11,500	12,112	(28,500)	27,511	(989)
Mental Health	84.425U	S425U210027	3/13/20-9/30/24	45,000	(45,000)	45,000		28,306	45,000	(16,694)	-	(16,694)
<b>Total - COVID Grants</b>					<b>(1,430,744)</b>	<b>1,259,108</b>	<b>-</b>	<b>714,126</b>	<b>766,728</b>	<b>(716,618)</b>	<b>492,380</b>	<b>(224,238)</b>
<b>Total Special Revenue Fund</b>					<b>(1,572,968)</b>	<b>1,259,108</b>	<b>-</b>	<b>1,320,449</b>	<b>1,321,389</b>	<b>(811,529)</b>	<b>496,729</b>	<b>(314,800)</b>
<b>Total Federal Awards</b>					<b>\$ (1,594,060)</b>	<b>\$ 1,259,504</b>	<b>\$ -</b>	<b>\$ 1,513,524</b>	<b>\$ 1,499,951</b>	<b>\$ (818,970)</b>	<b>\$ 497,987</b>	<b>\$ (322,241)</b>

MAYWOOD BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	June 30, 2023		MEMO	
									Accounts Receivable	Deferred Revenue	GAAP Receivable	Budgetary Expenditures
<b>State Department of Education</b>												
<b>General Fund</b>												
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 915,285	\$ (63,350)		\$ 63,350						
Special Education Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	1,084,666			1,009,567	\$ 1,084,666		\$ (75,099)			\$ 1,084,666
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	324,912	(22,488)		22,488			-			-
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	324,912			302,416	324,912		(22,496)			324,912
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	23,035	(1,594)		1,594			-			-
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	23,035			21,440	23,035		(1,595)			23,035
Total State Aid Public Cluster				(87,432)		1,420,855	1,432,613		(99,190)			1,432,613
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	153,364	(10,615)		10,615			-			-
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	153,364			142,746	153,364		(10,618)			153,364
Reimbursed Non Public Transportation	22-495-034-5120-014	7/1/21-6/30/22	23,804	(23,804)		23,804			-			-
Reimbursed Non Public Transportation	23-495-034-5120-014	7/1/22-6/30/23	23,267			-	23,267		(23,267)			23,267
Total Transportation Aid Cluster				(34,419)		177,165	176,631		(33,885)			176,631
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	411,779	(411,779)		411,779			-			-
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	279,791				279,791		(279,791)			279,791
Payment for Institutionalized Children - Unkonwn District of Residence	23-495-034-5120-005	7/1/22-6/30/23	70,150				70,150		(70,150)			70,150
On-behalf TPAF Pension System Payments - Normal Costs	23-495-034-5094-002	7/1/22-6/30/23	2,457,722			2,457,722	2,457,722					2,457,722
On-behalf TPAF Pension System Payments - NCGI Premium	23-495-034-5094-004	7/1/22-6/30/23	34,098			34,098	34,098					34,098
On-behalf TPAF OPEB Payments - Post-Retirement Medical Contribution	23-100-034-5094-001	7/1/22-6/30/23	654,595			654,595	654,595					654,595
On-behalf TPAF LTDI Payments - Long-Term Disability Insurance Premium	23-495-034-5094-004	7/1/22-6/30/23	878			878	878					878
Reimbursed TPAF Social Security	22-495-034-5094-003	7/1/21-6/30/22	534,608	(26,308)		26,308			-			-
Reimbursed TPAF Social Security	23-495-034-5094-003	7/1/22-6/30/23	572,580			514,025	572,580		(58,555)			572,580
Total General Fund				(559,938)		5,697,425	5,679,058		(541,571)			5,679,058
<b>Food Service Fund</b>												
National School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	8,131	(485)		485			-			-
National School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	5,347			4,948	5,347		(399)			5,347
Total Food Service Fund				(485)		5,433	5,347		(399)			5,347
<b>Total State Financial Assistance Subject to Single Audit Determination</b>				<b>\$ (560,423)</b>	<b>\$ -</b>	<b>\$ 5,702,858</b>	<b>\$ 5,684,405</b>	<b>\$ -</b>	<b>\$ (541,970)</b>	<b>\$ -</b>	<b>\$ (151,972)</b>	<b>\$ 5,679,058</b>

Less: TPAF Normal Costs (2,457,722)  
 TPAF NCGI Premium (34,098)  
 TPAF Post Retirement (654,595)  
 TPAF Long-Term Disability Insurance Premium (878)

**Total State Financial Assistance Subject to Major Program Determination \$ 2,537,112**

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 REPORTING ENTITY**

The Maywood Board of Education (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

**NOTE 2 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Schedules are prepared and presented using 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 basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board’s financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

The 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 a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, those payments are not recognized until the subsequent year due to the state deferral and recording of certain 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, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid 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 an increase of \$120,227 for the general fund. See 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 financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 5,799,285	\$ 5,799,285
Special Revenue Fund	\$ 1,321,389		1,321,389
Food Service Fund	<u>178,562</u>	<u>5,347</u>	<u>183,909</u>
Total Awards and Financial Assistance	<u>\$ 1,499,951</u>	<u>\$ 5,804,632</u>	<u>\$ 7,304,583</u>

**MAYWOOD BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

**NOTE 6 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$572,580 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$2,491,820, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$654,595 and TPAF Long-Term Disability Insurance in the amount of \$878 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

**NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**NOTE 8 DE MINIMIS INDIRECT COST RATE**

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

**MAYWOOD BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?       X       yes                      none reported

Noncompliance material to the basic financial statements noted?       X       yes                      no

**Federal Awards Section**

Internal Control over compliance:

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

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses?        yes       X       none reported

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance (section.510(a))?        yes       X       none

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.425D	S425D200027	CRRSA (ESSER II)
84.425U	S425U210027	ARP ESSER (ESSER III)

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

Auditee qualified as low-risk auditee?        yes       X       no



MAYWOOD BOARD OF EDUCATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? \_\_\_\_\_ yes       X  no
- 2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? \_\_\_\_\_ yes       X  none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB 15-08, as amended? \_\_\_\_\_ yes       X  none

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>23-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>23-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>23-495-034-5120-084</u>	<u>Security Aid</u>
<u>23-495-034-5094-003</u>	<u>Reimbursed TPAF Social Security</u>
_____	_____
_____	_____

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

Auditee qualified as low-risk auditee?       X  yes      \_\_\_\_\_ no

**MAYWOOD BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

**Finding 2023-01**

Our audit of contracts revealed the amount paid to the architect/engineer exceeded the authorized contract amount. Furthermore, the contract change order payments were not properly supported.

**Criteria or Specific Requirement**

Public School Contracts Law (NJSA 18A:18A); Payment of Claims (NJSA 18A:19-2)

**Condition**

Payments made for architect/engineering services exceeded the approved contract amount. Documentation to support such payments were not adequately detailed.

**Context**

The Board approved a contract for pre-referendum services in the amount of \$38,300. Payments were made for additional services in the amount of \$60,900. In addition, invoices submitted for these services were not adequately detailed.

**Effect**

Payments made by the District were not in compliance with statutory requirements.

**Cause**

Unknown.

**Recommendation**

The Board formally approve all contract amendments by resolution and such contracts be properly supported.

**View of Responsible Officials and Planned Corrective Action**

Management has reviewed this finding and has indicated that corrective action will be taken.

**MAYWOOD BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part 3 – Schedule of Federal and State Award Findings and Questioned Costs*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08, as amended.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**CURRENT YEAR STATE AWARDS**

There are none.

**MAYWOOD BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS  
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*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.