

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT

Medford, New Jersey
County of Burlington

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT

MEDFORD, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

**Medford Township Public School District
Finance Department**

This page intentionally left blank.

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	7
Consultants and Advisors	9
FINANCIAL SECTION	
Independent Auditors' Report	13
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion & Analysis	19
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	29
A-2 Statement of Activities	30
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	37
B-2 Statement of Revenues, Expenditures & Changes in Fund Balance	38
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balance of Governmental Funds to the Statement of Activities	39
Proprietary Funds:	
B-4 Statement of Net Position	43
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	44
B-6 Statement of Cash Flows	45
Notes to Financial Statements	49
REQUIRED SUPPLEMENTARY INFORMATION - PART II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	87
C-1a Combining Schedule of Revenue, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Community Development Block Grants - Budget & Actual (if applicable)	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	93
Notes to the Required Supplementary Information:	
C-3 Budget-to-GAAP Reconciliation	97

REQUIRED SUPPLEMENTARY INFORMATION - PART III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability Public Employees' Retirement System	103
L-2 Schedule of District Contributions - Public Employees' Retirement System	104
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability Teachers' Pension and Annuity Fund	105
L-4 Schedule of School District Contributions Teachers' Pension and Annuity Fund (TPAF)	106
M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios - OPEB	109
Notes to the Required Supplementary Information	113

OTHER SUPPLEMENTAL INFORMATION

D. School Based Budget Schedules (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget & Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures - Special Revenue Fund - Budgetary Basis	121
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	N/A
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	N/A
F-2a Schedule of Revenues, Expenditures, Project Balance & Project Status - Budgetary Basis – Power Management Project	N/A
G. Proprietary Funds:	
Enterprise Funds:	
G-1 Statement of Net Position	N/A
G-2 Statement of Revenues, Expenses & Changes in Fund Net Position	N/A
G-3 Statement of Cash Flows	N/A
Internal Service Funds:	
G-4 Statement of Net Position	N/A
G-5 Statement of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Statement of Cash Flows	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	133
I-2 Schedule of Obligations Under Financed Purchases	134
I-3 Debt Service Fund Budgetary Comparison Schedule	135
I-4 Schedule of Compensated Absences	136

STATISTICAL SECTION (unaudited)

Financial Trends:

J-1 Net Position by Component	139
J-2 Changes in Net Position	140
J-3 Fund Balances - Governmental Funds	142
J-4 Changes in Fund Balance - Governmental Funds	143
J-5 Other Local Revenue by Source - General Fund	144

Revenue Capacity:

J-6 Assessed Value & Estimated Actual Value of Taxable Property	145
J-7 Direct & Overlapping Property Tax Rates	146
J-8 Principal Property Taxpayers	147
J-9 Property Tax Levies & Collections	148

Debt Capacity:

J-10 Ratios of Outstanding Debt by Type	149
J-11 Ratios of General Bonded Debt Outstanding	150
J-12 Direct & Overlapping Governmental Activities Debt	150
J-13 Legal Debt Margin Information	151

Demographic & Economic Information:

J-14 Demographic & Economic Statistics	152
J-15 Principal Employers	152

Operating Information:

J-16 Full-Time Equivalent District Employees by Function/Program	153
J-17 Operating Statistics	154
J-18 School Building Information	155
J-19 Schedule of Required Maintenance	156
J-20 Insurance Schedule	157

SINGLE AUDIT SECTION

K-1 Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	161
K-2 Independent Auditors' Report on Compliance for Each Major Program; and Report on Internal Control Over Compliance required by the Uniform Guidance and New Jersey OMB Circular 15-08	163
K-3 Schedule of Expenditures of Federal Awards, Schedule A	166
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	167
K-5 Notes to Schedules of Awards and Financial Assistance	168
K-6 Schedule of Findings & Questioned Costs	
Section I - Summary of Auditor's Results	170
Section II - Financial Statement Findings	172
Section III - Federal Awards and State Financial Assistance Findings & Questioned Costs	173
K-7 Summary Schedule of Prior Audit Findings	174

This page intentionally left blank.

INTRODUCTORY SECTION

This page intentionally left blank.



Medford Township Public School District
137 Hartford Road, Medford, New Jersey 08055
609-654-6416 Fax 609-654-7436

January 17, 2024

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Medford Township Public School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Medford Township Public School District. 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, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions 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 New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Medford Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for children with special needs. The School District's enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	2,653	1.26%
2021-2022	2,620	4.97%
2020-2021	2,496	-5.95%
2019-2020	2,654	-0.19%
2018-2019	2,659	-2.21%
2017-2018	2,719	-0.80%
2016-2017	2,741	0.26%
2015-2016	2,734	-0.07%
2014-2015	2,736	-1.12%
2013-2014	2,767	-5.76%

ECONOMIC CONDITION AND OUTLOOK

Medford Township spans an area of 39.93 square miles and has a population of approx. 23,500. According to the 2010 Census, there were 8,277 households and 6,456 families residing in the township. While the population has only slightly increased since then, the recent completion and ongoing construction of several new housing developments has led to a significant rise in enrollment in the Medford Township School District. Our completed demographic study projected a 7% increase in enrollment over the next five years, but this year's enrollment has already surpassed expectations for the end of the 2023-24 school year. Between July 1, 2021, and January 31, 2022 there were 228 new student registrations. In contrast, during the same time period in the current year (July 1, 2022 to January 31, 2023), there were 264 new student registrations, representing an increase of approximately 16% year over year. To accommodate this surge in enrollment, we have had to cap several classes and reassign new students to schools outside of their neighborhood school, prioritizing special education students and military families. While this is a departure from our district's tenet of "community schools," it has been necessary to manage the growth in enrollment.

The three largest tax payers in the township are Estaugh T/A Medford Leas, Medford Associates, and Sharp Run LLC. The Medford Township School District remains one of the largest employers in the area, with ~400 contracted employees. While there has not been a significant increase in businesses, there has been a concentrated effort to revitalize Medford Village (Main Street) in recent years. Although progress has been made in attracting restaurants and small businesses, the school system continues to rely heavily on residential property taxes for support.

The impact of the S2 Legislation, adopted in July 2018, continues to be felt by the Medford Township Public School District. In the past few years, the district has experienced a reduction in State Funding of \$4.9 million dollars in cuts between 2018 and 2024. As a result, the burden of supporting schools has shifted to Medford Township taxpayers, who face increased financial responsibility.

Despite these challenges, the School District remains steadfast in its commitment to maintain critical programs, staff, and educational initiatives. In both past and current budgets, the district has prioritized the preservation of these essential components, as they are integral to providing high-quality education to all students.

MAJOR INITIATIVES

Despite facing funding challenges, the Medford Township School District remains committed to providing a high-quality education for all students, as reflected in the 2023-24 Budget. The budget priorities are centered on academic programs, with a focus on providing sufficient staffing and necessary supplies, equipment, and materials to support existing programs. The district is also continuing to integrate technology through the provision of one-to-one Chromebook devices. Moreover, the district is meeting the needs of an increasing special education population by providing all mandated services to students with Individualized Education Plans and expanding the opportunities for student learning by utilizing funds through the Preschool Expansion Aid.

The Operations and Facilities Department is taking a preventive maintenance approach to equipment to extend its useful lifespan and reduce capital improvement costs, while addressing health and safety concerns across the district. School safety and security remain a top priority for the district, which has installed cameras on new buses and replaced existing cameras in all facilities as needed. The district continues to partner Medford Township Police Department to share video footage from the installed cameras on several bus stop-arms, resulting in successful enforcement against drivers who ignore the bus stop arm during bus stops.

The district maintains its current level of busing and replaces buses according to the mandated fifteen-year bus replacement schedule. Furthermore, the district-wide infrastructure technology is well-maintained to support existing technology investments, including network infrastructure, laptops/desktops, Chromebooks, and associated applications.

INTERNAL ACCOUNTING CONTROLS

Management of the School 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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

As part of the School 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 School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL POLICIES

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., Certified Public Accounts & Advisors, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

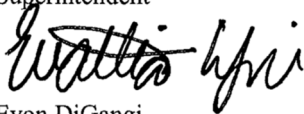
ACKNOWLEDGEMENTS

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

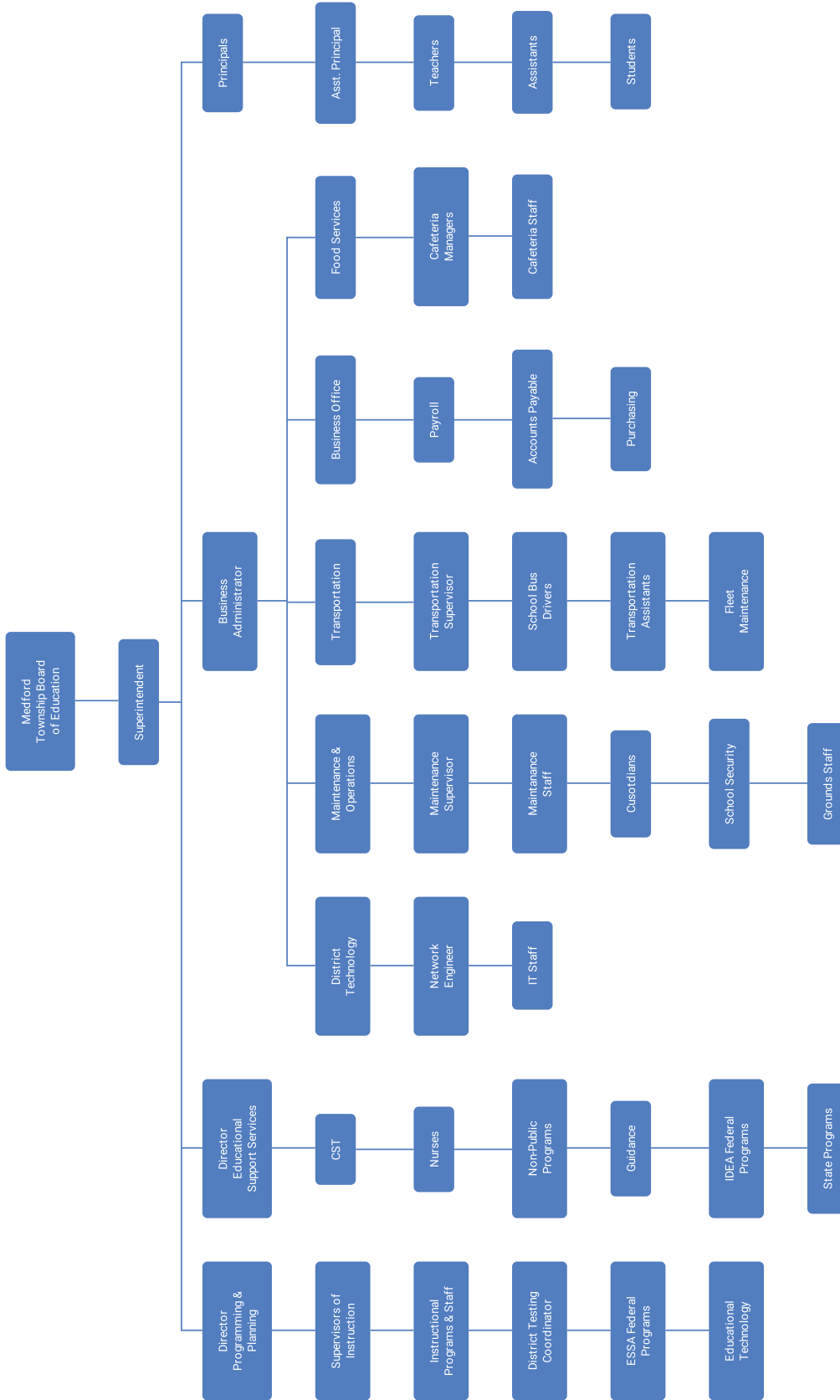
Respectfully submitted,



Keira Scussa
Superintendent



Evon DiGangi
School Business Administrator/Board Secretary



This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Medford, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2023

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Katherine Santamore, President	2023
Dr. Michael Etter, Vice President	2025
Lauren Caffery	2025
Trudy Cole	2023
Angela Zografos	2023
Chad Fires	2024
Andrea Kornick	2024
Kristen Sinclair	2025
Jefferey Wagner	2024

OTHER OFFICIALS

- Keira Scussa, Superintendent of Schools
- Jonathan Yates, Business Administrator/Board Secretary
- Evanthia DiGangi, Treasurer
- Parker McCay, Solicitor

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Medford, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

David T. McNally
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Parker McCay
3 Greentree Center
7001 Lincoln Drive, West
P.O. Box 974
Marlton, New Jersey 08053

OFFICIAL DEPOSITORY

Republic Bank
2 Skeet Road
Medford, New Jersey 08055

This page intentionally left blank.

FINANCIAL SECTION

This page intentionally left blank.



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Medford Township Public School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Medford Township Public School District, County of Burlington, State of New Jersey, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our 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 provided a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices 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 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 judgement made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 17, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

As management of the Medford Township Public School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with financial-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into two categories: *governmental funds and proprietary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the government-wide financial statements. The School District maintains one type of proprietary fund – the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the government-wide financial statements, only in more detail.

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis of the School District

Table 1 provides a summary of the School Districts net position for the fiscal years 2023 compared to fiscal year 2022.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Financial Analysis of the School District (continued)

Table 1
Summary of Net Position

	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 9,052,576	\$ 10,844,826	\$ (1,792,250)	-16.5%
Capital Assets, Net	42,979,128	43,961,632	(982,504)	-2.2%
Total Assets	<u>52,031,704</u>	<u>54,806,458</u>	<u>(2,774,754)</u>	-5.1%
Deferred Outflow of Resources	<u>1,665,079</u>	<u>1,264,417</u>	<u>400,662</u>	31.7%
Current and other Liabilities	1,077,965	992,075	85,890	8.7%
Noncurrent Liabilities	22,730,955	23,481,237	(750,282)	-3.2%
Total Liabilities	<u>23,808,920</u>	<u>24,473,312</u>	<u>(664,392)</u>	-2.7%
Deferred Inflow of Resources	<u>1,430,944</u>	<u>4,240,718</u>	<u>(2,809,774)</u>	-66.3%
Net Position:				
Net Investment in Capital Assets	30,560,471	28,934,232	1,626,239	5.6%
Restricted	5,836,226	6,768,976	(932,750)	-13.8%
Unrestricted (Deficit)	(7,939,778)	(8,346,363)	406,585	-4.9%
Total Net Position	<u>\$ 28,456,919</u>	<u>\$ 27,356,845</u>	<u>\$ 1,100,074</u>	4.0%

Table 2 shows the changes in net position for fiscal year 2023 compared to fiscal year 2022.

Table 2
Summary of Changes in Net Position

	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 742,737	\$ 15,243	\$ 727,494	4772.6%
Operating Grants & Contributions	9,184,475	12,886,915	(3,702,440)	-28.7%
General Revenues:				
Property Taxes	49,345,134	48,088,859	1,256,275	2.6%
Federal & State Aid	4,123,387	4,667,931	(544,544)	-11.7%
Other General Revenues	1,287,689	1,003,654	284,035	28.3%
Total Revenues	<u>64,683,422</u>	<u>66,662,602</u>	<u>(1,979,180)</u>	-3.0%
Function/Program Expenditures:				
Regular Instruction	17,588,560	16,287,491	1,301,069	8.0%
Special Education Instruction	8,961,658	8,056,098	905,560	11.2%
Other Instruction	523,117	446,743	76,374	17.1%
Tuition	1,049,833	772,822	277,011	35.8%
Student & Instruction Related Services	6,056,987	5,635,524	421,463	7.5%
General Administrative	3,883,303	3,788,781	94,522	2.5%
School Administrative Services	1,199,949	1,240,519	(40,570)	-3.3%
Plant Operations & Maintenance	3,851,683	3,718,759	132,924	3.6%
Pupil Transportation	2,646,673	2,358,576	288,097	12.2%
Unallocated Benefits	9,636,107	12,685,332	(3,049,225)	-24.0%
On Behalf TPAF Pension and Social				
Security Contributions	4,630,454	4,002,328	628,126	15.7%
Special Schools	131,257	90,686	40,571	44.7%
Interest & Other Charges	310,491	389,784	(79,293)	-20.3%
Unallocated Depreciation	1,943,504	1,982,812	(39,308)	-2.0%
Food Service	1,169,772	1,160,838	8,934	0.8%
Total Expenditures	<u>63,583,348</u>	<u>62,617,093</u>	<u>966,255</u>	1.5%
Change In Net Position	1,100,074	4,045,509	(2,945,435)	-72.8%
Net Position - Beginning	27,356,845	23,311,336	4,045,509	17.4%
Net Position - Ending	<u>\$ 28,456,919</u>	<u>\$ 27,356,845</u>	<u>\$ 1,100,074</u>	4.0%

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Governmental Activities

During the fiscal year 2023, the net position of governmental activities increased by \$1,112,192 or 4.12%. The primary reason for the increase was a decrease in operating expenditures, pension charges and other post retirement charges.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$28,086,975, with an unrestricted deficit balance of \$8,154,629. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(8,154,629)
Add back: PERS Pension Liability		8,552,428
Less: Deferred Outflows related to pensions		(1,402,616)
Add back: Deferred Inflows related to pensions		<u>1,430,944</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>426,127</u>

Business-type Activities

During the fiscal year 2023, the net position of business-type activities decreased by \$12,118 or (3.17%).

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$369,944.

General Fund Budgeting Highlights

Final budgeted revenues was \$52,039,389, which was equal to the original budget. Excluding non-budgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$571,064.

Final budgeted appropriations was \$56,736,941, which was an increase of \$637,552 from the original budget. The increase is due to prior year reserve for encumbrances, which increase the budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted appropriations, the School District’s budget appropriations exceeded actual expenditures by \$2,270,241.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$8,728,927 at June 30, 2023, a decrease of \$1,856,247 from the prior year’s balance.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Governmental Funds

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$8,598,494, a decrease of \$1,845,382 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District’s general fund decreased by \$1,845,059 or -18.11% to \$8,344,236 at June 30, 2023, compared to an increase of \$332,601 in fund balance in the prior fiscal year.

Special revenue fund – During the current fiscal year, the fund balance of the School District’s special revenue fund decreased by \$323 or -0.14% to \$237,522 at June 30, 2023.

Debt service fund - During the current fiscal year, the fund balance of the School District’s debt service fund remained unchanged at \$16,736 on June 30, 2023.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District’s food service fund decreased by \$12,118 or -3.17% to \$369,944 at June 30, 2023, compared to an increase of \$224,445 in fund balance in the prior fiscal year.

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$42,979,128 (net of accumulated depreciation). Capital assets includes land, land improvements, buildings and improvements and equipment. The School Districts “Net Investment in Capital Assets” component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net decrease in the School District’s capital assets for the current fiscal year in the amount of \$982,504. Table 4 shows fiscal 2023 balances compared to 2022.

Table 4
Summary of Capital Assets

<u>Capital Assets (Net of Depreciation):</u>	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2022</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
Land	\$ 5,114,713	\$ 5,114,713	\$ -	0.0%
Building and Improvements	65,577,413	65,090,392	487,021	0.7%
Equipment	9,767,069	9,462,561	304,508	3.2%
Depreciation Expense	<u>(37,480,067)</u>	<u>(35,706,034)</u>	<u>(1,774,033)</u>	5.0%
	<u>\$ 42,979,128</u>	<u>\$ 43,961,632</u>	<u>\$ (982,504)</u>	-2.2%

Depreciation expense for the year was \$1,930,322. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District's outstanding debt issues included \$6,705,000 of general obligation bonds, compensation absence liability of \$1,497,407, net pension liability of \$8,552,428, unamortized bond premiums of \$874,800, building purchase of \$2,520,000 and \$2,581,320 of financed purchases.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Factors on the School District's Future

- The District anticipates that the approved 2023-2024 budget will be adequate to satisfy all 2023-2024 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Medford Township Public School District, 137 Hartford Road, Medford, NJ 08055.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

A. Government-Wide Financial Statements

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 6,084,377	\$ 217,092	\$ 6,301,469
Internal Balances	(1,626)	1,626	-
Receivables, Net (Note 4)	680,595	12,060	692,655
Inventory	-	17,552	17,552
Restricted Assets:			
Restricted Cash & Cash Equivalents	2,040,900	-	2,040,900
Capital Assets:			
Non-Depreciable (Note 5)	5,114,713	-	5,114,713
Depreciable, Net (Note 5)	37,709,322	155,093	37,864,415
Total Assets	<u>51,628,281</u>	<u>403,423</u>	<u>52,031,704</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges on Refunding of Debt	262,463	-	262,463
Deferred Outflows Related to Pensions (Note 8)	1,402,616	-	1,402,616
Total Deferred Outflow of Resources	<u>1,665,079</u>	<u>-</u>	<u>1,665,079</u>
Total Assets and Deferred Outflow of Resources	<u>53,293,360</u>	<u>403,423</u>	<u>53,696,783</u>
LIABILITIES			
Accounts Payable	192,686	-	192,686
Accrued Interest	131,278	-	131,278
Due to Other Governments	707,456	-	707,456
Unearned Revenue	13,066	33,479	46,545
Noncurrent Liabilities (Note 7):			
Due Within One Year	3,176,739	-	3,176,739
Due Beyond One Year	19,554,216	-	19,554,216
Total Liabilities	<u>23,775,441</u>	<u>33,479</u>	<u>23,808,920</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	1,430,944	-	1,430,944
Total Deferred Inflow of Resources	<u>1,430,944</u>	<u>-</u>	<u>1,430,944</u>
Total Liabilities and Deferred Inflow of Resources	<u>25,206,385</u>	<u>33,479</u>	<u>25,239,864</u>
NET POSITION			
Net Investment in Capital Assets	30,405,378	155,093	30,560,471
Restricted For:			
Capital Projects	1,066,021	-	1,066,021
Maintenance Reserve	750,000	-	750,000
Debt Service	16,736	-	16,736
Unemployment	224,879	-	224,879
Scholarships	7,840	-	7,840
Student Activities	229,682	-	229,682
Excess Surplus	3,541,068	-	3,541,068
Unrestricted (Deficit)	<u>(8,154,629)</u>	<u>214,851</u>	<u>(7,939,778)</u>
Total Net Position	<u>\$ 28,086,975</u>	<u>\$ 369,944</u>	<u>\$ 28,456,919</u>

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 17,588,560	\$ -	\$ 1,219,028	\$ (16,369,532)	\$ -	\$ (16,369,532)
Special Education	8,961,658	-	-	(8,961,658)	-	(8,961,658)
Other Special Instruction	433,538	-	-	(433,538)	-	(433,538)
Other Instruction	89,579	-	-	(89,579)	-	(89,579)
Support Services & Undistributed Costs:						
Tuition	1,049,833	-	-	(1,049,833)	-	(1,049,833)
Attendance & Social Work Services	25,113	-	-	(25,113)	-	(25,113)
Health Services	659,532	-	-	(659,532)	-	(659,532)
Student & Instruction Related Services	3,733,134	-	632,001	(3,101,133)	-	(3,101,133)
Educational Media Services/School Library	744,736	-	-	(744,736)	-	(744,736)
Instructional Staff Training	894,472	-	-	(894,472)	-	(894,472)
School Administrative Services	3,883,303	-	-	(3,883,303)	-	(3,883,303)
Other Administrative Services	1,199,949	-	-	(1,199,949)	-	(1,199,949)
Plant Operations & Maintenance	3,851,683	-	-	(3,851,683)	-	(3,851,683)
Pupil Transportation	2,646,673	-	-	(2,646,673)	-	(2,646,673)
Unallocated Benefits	9,636,107	-	2,297,467	(7,338,640)	-	(7,338,640)
On Behalf TPAF Pension and Social Security Contributions	4,630,454	-	4,630,454	-	-	-
Special Schools	131,257	-	-	(131,257)	-	(131,257)
Interest and Other Charges	310,491	-	-	(310,491)	-	(310,491)
Unallocated Depreciation	1,943,504	-	-	(1,943,504)	-	(1,943,504)
Total Governmental Activities	62,413,576	-	8,778,950	(53,634,626)	-	(53,634,626)
Business-Type Activities:						
Food Service	1,169,772	742,737	405,525	-	(21,510)	(21,510)
Total Business-Type Activities	1,169,772	742,737	405,525	-	(21,510)	(21,510)
Total Primary Government	\$ 63,583,348	\$ 742,737	\$ 9,184,475	(53,634,626)	(21,510)	(53,656,136)

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes	47,219,634	-	47,219,634
Property Taxes Levied for Debt Service	2,125,500	-	2,125,500
Federal & State Aid Not Restricted	4,123,387	-	4,123,387
Tuition - From Individuals	89,708	-	89,708
Transportation	164,081	-	164,081
Rents	182,360	-	182,360
Miscellaneous Income	842,148	-	842,148
Gain on Capital Assets	-	9,392	9,392
Total General Revenues & Transfers	54,746,818	9,392	54,756,210
Change In Net Position	1,112,192	(12,118)	1,100,074
Net Position - Beginning	26,974,783	382,062	27,356,845
Net Position - Ending	\$ 28,086,975	\$ 369,944	\$ 28,456,919

This page intentionally left blank.

B. Fund Financial Statements

This page intentionally left blank.

Governmental Funds

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Assets:				
Cash & Cash Equivalents	\$ 6,021,000	\$ 46,641	\$ 16,736	\$ 6,084,377
Due From Other Funds	-	104,236	-	104,236
Receivables From Other Governments	397,057	258,531	-	655,588
Other Accounts Receivable	6,517	18,490	-	25,007
Restricted Cash & Cash Equivalents	2,040,900	-	-	2,040,900
	<hr/>			
Total Assets	<u>\$ 8,465,474</u>	<u>\$ 427,898</u>	<u>\$ 16,736</u>	<u>\$ 8,910,108</u>
Liabilities & Fund Balances:				
Liabilities:				
Accounts Payable	-	98,451	-	98,451
Intergovernmental - Accounts Payable	-	78,859	-	78,859
Payroll Deductions and Withholdings Payable	15,376	-	-	15,376
Interfund Payable	105,862	-	-	105,862
Unearned Revenue	-	13,066	-	13,066
	<hr/>			
Total Liabilities	121,238	190,376	-	311,614
Fund Balances:				
Restricted for:				
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	1,897,141	-	-	1,897,141
Excess Surplus - Current Year	1,643,927	-	-	1,643,927
Capital Reserve Account	1,066,021	-	-	1,066,021
Maintenance Reserve Account	750,000	-	-	750,000
Unemployment Compensation	224,879	-	-	224,879
Scholarships	-	7,840	-	7,840
Student Activities	-	229,682	-	229,682
Committed to:				
Debt Service Fund	-	-	16,736	16,736
Assigned to:				
Other Purposes	661,998	-	-	661,998
Designated by the BOE for Subsequent Year's Expenditures	1,221,029	-	-	1,221,029
Unassigned:				
General Fund	879,241	-	-	879,241
	<hr/>			
Total Fund Balances	8,344,236	237,522	16,736	8,598,494
	<hr/>			
Total Liabilities & Fund Balances	<u>\$ 8,465,474</u>	<u>\$ 427,898</u>	<u>\$ 16,736</u>	

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 \$80,011,405 and the accumulated depreciation is \$37,187,370. (See Illustrative Note 5)	42,824,035
Deferred loss on refunding of debt is not recorded in the fund financials but is recorded on the government-wide financials.	262,463
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.	(28,328)
Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(707,456)
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period.	(131,278)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 7)	<u>(22,730,955)</u>
Net Position of Governmental Activities	<u>\$ 28,086,975</u>

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 47,219,634	\$ -	\$ 2,125,500	\$ 49,345,134
Tuition - From Individuals	89,708	-	-	89,708
Transportation	164,081	-	-	164,081
Rents	182,360	-	-	182,360
Miscellaneous	568,664	273,484	-	842,148
Total Revenues - Local Sources	48,224,447	273,484	2,125,500	50,623,431
State Sources	16,830,414	344,394	-	17,174,808
Federal Sources	20,157	1,232,828	-	1,252,985
Total Revenues	65,075,018	1,850,706	2,125,500	69,051,224
Expenditures:				
Instruction	25,854,307	1,219,028	-	27,073,335
Student and Instruction Related Services	39,818,670	632,001	-	40,450,671
Capital Outlay	1,850,843	-	-	1,850,843
Special Schools	131,257	-	-	131,257
Debt Service	-	-	2,125,500	2,125,500
Total Expenditures	67,655,077	1,851,029	2,125,500	71,631,606
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,580,059)	(323)	-	(2,580,382)
Other Financing Sources/(Uses):				
Financed Purchases (Nonbudget)	735,000	-	-	735,000
Total Other Financing Sources/ (Uses)	735,000	-	-	735,000
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	(1,845,059)	(323)	-	(1,845,382)
Fund Balance, July 1	10,189,295	237,845	16,736	10,443,876
Fund Balances June 30	\$ 8,344,236	\$ 237,522	\$ 16,736	\$ 8,598,494

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (1,845,382)

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

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

Depreciation Expense	\$ (1,918,427)	
Deletions & Adjustments	(25,077)	
Capital Outlays	<u>905,118</u>	(1,038,386)

Repayment of bond principal and building purchase is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 2,335,000

Governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

Amortization of Premium on Bonds	238,582	
Amortization of Loss on Bond Refunding	<u>(71,580)</u>	167,002

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 1,280,851

Repayment of financed purchase principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 841,741

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Prior year	159,328	
Current Year	<u>(131,278)</u>	28,050

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of activities. (735,000)

Repayment of compensated absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 78,316

Change in Net Position of Governmental Activities \$ 1,112,192

This page intentionally left blank.

Proprietary Funds

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
ASSETS	<u>FOOD SERVICE</u>
Current Assets:	
Cash & Cash Equivalents	\$ 217,092
Due from State	634
Due from Federal	11,426
Interfunds Receivable	1,626
Inventories	<u>17,552</u>
Total Current Assets	<u>248,330</u>
Capital Assets:	
Equipment	447,790
Less: Accumulated Depreciation	<u>(292,697)</u>
Total Capital Assets	<u>155,093</u>
Total Assets	<u>403,423</u>
LIABILITIES	
Unearned Revenue	<u>33,479</u>
Total Liabilities	<u>33,479</u>
NET POSITION	
Net Investment in Capital Assets	155,093
Unrestricted	<u>214,851</u>
Total Net Position	<u><u>\$ 369,944</u></u>

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr/> FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 445,659
Daily Sales - Nonreimbursable Programs	259,334
Special Functions	37,744
	<hr/>
Total Operating Revenues	742,737
	<hr/>
Operating Expenses:	
Salaries and Benefits	642,214
Supplies & Materials	24,513
Other Professional Tech Services	2,500
Miscellaneous	19,501
Management Fee	67,336
Depreciation Expense	11,895
Cost of Sales - Reimbursable	285,113
Cost of Sales - Non Reimbursable	116,700
	<hr/>
Total Operating Expenses	1,169,772
	<hr/>
Operating Income/(Loss)	(427,035)
	<hr/>
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	10,021
State School Lunch - Red Program	1,078
Federal Sources:	
National School Lunch Program	199,483
Food Distribution Program	65,152
Supply Chain Assistance Grant	129,791
Gain/(Loss) on Adjustment to Fixed Assets	9,392
	<hr/>
Total Nonoperating Revenues/(Expenses)	414,917
	<hr/>
Change in Net Position	(12,118)
Total Net Position - Beginning	382,062
	<hr/>
Total Net Position - Ending	\$ 369,944
	<hr/> <hr/>

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	FOOD SERVICE FUND <hr/> BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 742,737
Payments to Employees	(642,214)
Payments to Suppliers	(459,136)
	(358,613)
Net Cash Provided/(Used) by Operating Activities	(358,613)
Cash Flows From Noncapital Financing Activities:	
State Sources	16,400
Federal Sources	575,932
Acquisition of Capital Assets	(58,385)
	533,947
Net Cash Provided/(Used) by Noncapital Financing Activities	533,947
Net Increase/(Decrease) in Cash & Cash Equivalents	175,334
Balances - Beginning of Year	41,758
Balances - End of Year	\$ 217,092
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$ (427,035)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Food Distribution Program	65,152
Depreciation & Net Amortization	11,895
Increase/(Decrease) in Prepaid	(14,775)
(Increase)/Decrease in Inventory	6,150
	68,422
Total Adjustments	68,422
Net Cash Provided/(Used) by Operating Activities	\$ (358,613)

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

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Medford Township Public School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The operations of the District include six elementary schools and one middle school located in Medford Township. The Medford Township Public School District has an approximate enrollment at June 30, 2023 of 2,727 students.

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

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

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

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 – Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The District had no component units as of for the year ended June 30, 2023.

Government-Wide Financial Statements

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

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

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in 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.

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements 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 (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating 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 Fund program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

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

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

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

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

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The adoption of this pronouncement had no material effect on the financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan’s fiduciary net position and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the District’s bank balance of \$9,287,959 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	8,419,865
Uninsured and Uncollateralized		868,094
		\$ 9,287,959

Investments

The District had no investments at June 30, 2023.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the District by the inclusion of \$300,000 in June of 2011 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 3. Reserve Accounts (continued)

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

Beginning Balance, July 1, 2022	\$	1,525,021
Increased by:		
Interest Earnings		1,000
		1,526,021
Decreased by:		
Budget Withdrawals		(460,000)
Ending Balance, June 30, 2023	\$	1,066,021

Maintenance Reserve

The District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

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

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

Beginning Balance, July 1, 2022	\$	500,000
Increased by:		
Deposits approved by Board		250,000
Balance, June 30, 2023	\$	750,000

Note 4. Accounts Receivable

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the District's governmental and business-type activities as of June 30, 2023, consisted of the following:

<u>Description</u>	Governmental Funds			Proprietary Funds	
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Total Business-Type Activities</u>
Federal Awards	\$ -	\$ 258,531	\$ 258,531	\$ 11,426	\$ 11,426
State Awards	397,057	-	397,057	634	634
Other	6,517	18,490	25,007	-	-
Total	\$ 403,574	\$ 277,021	\$ 680,595	\$ 12,060	\$ 12,060

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 5. Capital Assets

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

	Balance		Retirements	Balance
	<u>July 1, 2022</u>	<u>Additions</u>	<u>and Transfers</u>	<u>June 30, 2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 5,114,713	\$ -	\$ -	\$ 5,114,713
Total Capital Assets not being depreciated	5,114,713	-	-	5,114,713
Capital Assets being depreciated:				
Buildings and Land Improvements	65,090,392	487,021	-	65,577,413
Equipment	9,048,916	418,097	(147,734)	9,319,279
Total Capital Assets being depreciated	74,139,308	905,118	(147,734)	74,896,692
Less: Accumulated Depreciation:				
Buildings and Land Improvements	(30,674,886)	(1,297,209)	23,539	(31,948,556)
Equipment	(4,716,714)	(621,218)	99,118	(5,238,814)
Total Accumulated Depreciation	(35,391,600)	(1,918,427)	122,657	(37,187,370)
Total Capital Assets being depreciated, net	38,747,708	(1,013,309)	(25,077)	37,709,322
Total Governmental Activities Capital Assets, net	\$ 43,862,421	\$ (1,013,309)	\$ (25,077)	\$ 42,824,035
Business-Type Activities:				
Equipment	\$ 413,645	\$ 58,385	\$ (24,240)	\$ 447,790
Total Capital Assets being depreciated	413,645	58,385	(24,240)	447,790
Less: Accumulated Depreciation:				
Equipment	(314,434)	(11,895)	33,632	(292,697)
Total Capital Assets being depreciated, net	(314,434)	(11,895)	33,632	(292,697)
Total Business-Type Activities Capital Assets, net	\$ 99,211	\$ 46,490	\$ 9,392	\$ 155,093

Depreciation expense was not allocated among the various functions/programs of the District.

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund</u>	<u>Interfund</u>
	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 105,862
Special Revenue Fund	104,236	-
Food Service Fund	1,626	-
	\$ 105,862	\$ 105,862

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 6. Interfund Receivables, Payables and Transfers (continued):

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

No interfund transfers occurred during the fiscal year.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2023</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 8,410,000	\$ -	\$ 1,705,000	\$ 6,705,000	\$ 1,695,000
Financed Purchases	2,688,061	735,000	841,741	2,581,320	613,157
Building Purchase	3,150,000	-	630,000	2,520,000	630,000
Compensated Absences	1,575,723	-	78,316	1,497,407	-
Net Pension Liability	6,544,071	2,008,357	-	8,552,428	-
Bond Premiums	1,113,382	-	238,582	874,800	238,582
	<u>\$ 23,481,237</u>	<u>\$ 2,743,357</u>	<u>\$ 3,493,639</u>	<u>\$ 22,730,955</u>	<u>\$ 3,176,739</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences, financed purchases, building purchase, bond premiums and net pension liability are liquidated by the general fund.

Bonds Payable

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

On December 16, 2015, the District issued \$18,715,000 of Refunding Bonds to refund the callable portion of the outstanding 22,785,000 Bond Issue. The Refunding Bonds generated \$2,217,689 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,943,911, or a net annual present value savings of 9.33%. The Refunding Bonds were issued at interest rates varying from 4.625% to 5.00% and mature on March 1, 2027.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,695,000	\$ 335,250	\$ 2,030,250
2025	1,685,000	250,500	1,935,500
2026	1,670,000	166,250	1,836,250
2027	1,655,000	82,750	1,737,750
	<u>\$ 6,705,000</u>	<u>\$ 834,750</u>	<u>\$ 7,539,750</u>

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 7. Long-Term Obligations (continued)

Bonds Authorized but not Issued

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

Financed Purchases

On October 29, 2015, the District entered into a finance purchase agreement in the amount of \$2,460,940 for an energy savings improvement program. The finance obligation was issued at an interest rate of 2.480% and matures on June 30, 2031.

On August 10, 2018 the District entered into a finance purchase agreement in the amount of \$1,125,000 for various improvements and equipment. The finance obligation was issued at an interest rate of 2.980% and matures on September 1, 2022.

On April 30, 2019 the District entered into a finance purchase agreement in the amount of \$775,000 for various improvements and equipment. The finance obligation was issued at an interest rate of 2.516% and matures on September 1, 2023.

On September 1, 2020 the District entered into a finance purchase agreement in the amount of \$380,000 for various improvements and equipment. The finance obligation was issued at an interest rate of 1.943% and matures on September 1, 2024.

On September 1, 2021 the District entered into a finance purchase agreement in the amount of \$435,000 for passenger school buses and maintenance vehicles. The finance obligation was issued at an interest rate of 1.243% and matures on September 1, 2025.

On September 8, 2022 the District entered into a finance purchase agreement in the amount of \$735,000 for two passenger school buses, chromebooks, vehicles and equipment. The finance obligation was issued at an interest rate of 2.986% and matures on September 8, 2026.

The future minimum finance payments for these notes are as follows:

Fiscal Year Ending	Principal	Interest	Total
<u>June 30,</u>	<u> </u>	<u> </u>	<u> </u>
2024	\$ 613,157	\$ 56,661	\$ 669,818
2025	466,120	44,040	510,160
2026	398,377	33,908	432,285
2027	319,936	24,848	344,784
2028	181,808	18,309	200,117
2029-2031	601,922	26,604	628,526
	<u>\$ 2,581,320</u>	<u>\$ 204,370</u>	<u>\$ 2,785,690</u>

Building Purchase

On May 16, 2022, the District entered into an installment sale contract to purchase a building in the amount of \$3,150,000. The agreement calls for total annual payments in the amount of \$630,000 for a term of 5 years. As of June 30, 2023 the balance of the installment sale contract is \$2,520,000.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$8,552,428 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.05667%, which was an increase of 0.00143% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of (\$566,203) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 61,727	\$ 54,435
Changes of Assumptions	26,498	1,280,637
Net Difference between Projected and Actual Earnings on Pension Plan Investments	353,977	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	252,958	95,872
School District Contributions Subsequent to Measurement Date	707,456	-
	\$ 1,402,616	\$ 1,430,944

\$707,456 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2023	\$ (604,551)
2024	(307,998)
2025	(150,205)
2026	327,690
2027	(720)
	<u>(735,784)</u>
	<u>\$ (735,784)</u>

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022		5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
June 30, 2022	5.00	
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2027	2.85 - 6.55% Based on Years of Service
Thereafter	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 11,080,416	\$ 8,552,428	\$ 6,535,079

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
District's portion of the Plan's total Net Pension Liability	0.056671%	0.055241%

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State's proportionate share of the contribution associated with the special funding situation was \$17,995 as of June 30, 2023. These are based on measurements as of June 30, 2022.

B. Teachers' Pension and Annuity Fund (TPAF)

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. 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 fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$105,522,270. The School District's proportionate share was \$-0-.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.204522%, which was an increase of 0.0009402% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$2,839,899 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

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%

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.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. 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 (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>123,727,104</u>	<u>105,522,270</u>	<u>90,186,985</u>
	<u>\$ 123,727,104</u>	<u>\$ 105,522,270</u>	<u>\$ 90,186,985</u>

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
District's portion of the Plan's total Net Pension Liability	0.20452%	0.20358%

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability: \$ 50,646,462,966

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

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

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

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$107,294,741. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.21185%, which was an increase of 0.003374% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$2,295,232 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increased to 13.44% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increased to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreased to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 126,113,682	\$ 107,294,741	\$ 92,212,301
State of New Jersey's Total Non- employer Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 88,685,662	\$ 107,294,741	\$ 131,738,897
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ -	\$ -
Differences between Expected & Actual Experience	9,042,402,619	(15,462,950,679)
Change in Assumptions	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ 17,808,023,196	\$ (32,700,239,909)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,		
2023	\$	(2,517,151,602)
2024		(2,517,151,602)
2025		(2,517,151,602)
2026		(2,175,449,761)
2027		(1,243,951,140)
Thereafter		(3,921,361,006)
	\$	(14,892,216,713)

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

	June 30, 2021
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
	364,817

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Difference Between Expected & Actual Experience	1,399,200,736
Change in Benefit Terms	-
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	<u>(1,329,476,059)</u>
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	<u>60,007,650,970</u>
Total OPEB Liability (Ending)	<u><u>\$ 50,646,462,966</u></u>
Total Covered Employee Payroll	\$ 14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

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

As previously mentioned, the District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$8,442,708, \$1,790,555, \$2,217,879 and \$2,235, respectively.

Note 11. Risk Management

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

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Risk Management (continued)

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 86,806	\$ 50,484	\$ 224,879
2021-2022	47,326	2,192	188,557
2020-2021	44,663	19,214	143,423

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

Joint Insurance Pool – The District also participates in the Burlington County Joint Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property – Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers’ Compensation
School Board Legal Liability	Excess Liability
Employers Liability	Comprehensive Crime Coverage

Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

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

Note 13. Deferred Compensation

The District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning
Prudential
AFLAC

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2023, the liability for compensated absences reported on the government-wide Statement of Net Position was \$1,497,407.

Note 15. Tax Abatements

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

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

Note 16. Commitments

The District has \$661,998 in contractual commitments at June 30, 2023.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$1,643,927.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 18. Fund Balances

General Fund – Of the \$8,344,236 General Fund balance at June 30, 2023, \$1,066,021 has been restricted for the Capital Reserve Account; \$750,000 has been restricted for the Maintenance Reserve Account; \$224,879 has been restricted for Unemployment Compensation; \$1,643,927 has been restricted for current year excess surplus; \$1,897,141 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$1,221,029 has been assigned and included as anticipated revenue for the year ending June 30, 2023; \$661,998 has been assigned for other purposes and \$879,241 has been unassigned.

Special Revenue Fund – Of the \$237,522 Special Revenue Fund Balance at June 30, 2023, \$229,682 is restricted for student activities \$7,840 is restricted for scholarships.

Debt Service Fund – Of the \$16,736 Debt Service Fund Balance at June 30, 2023, \$16,736 is committed for debt service.

Note 19. Deficit in Net Position

Unrestricted Net Position – The District governmental activities had a deficit in unrestricted net position in the amount of \$8,154,629 at June 30, 2023. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 17, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank.

C. Budgetary Comparison Schedules

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 47,219,634	\$ -	\$ 47,219,634	\$ 47,219,634	\$ -
Tuition - From Individuals	10-1310	50,000	-	50,000	89,708	39,708
Tuition - From Other LEAS	10-1320	10,000	-	10,000	-	(10,000)
Transportation Fees From Individuals	10-1410	10,000	-	10,000	31,430	21,430
Transportation Fee from Other LEAs	10-1420	50,000	-	50,000	132,651	82,651
Rent and Royalties	10-1910	180,000	-	180,000	182,360	2,360
Miscellaneous	10-1xxx	301,000	-	301,000	567,664	266,664
Interest Earned on Capital Reserve	10-1xxx	1,000	-	1,000	1,000	-
Total Local Sources		47,821,634	-	47,821,634	48,224,447	402,813
State Sources:						
Categorical Special Education Aid	10-3132	1,680,355	-	1,680,355	1,680,355	-
Equalization Aid	10-3176	2,057,313	-	2,057,313	2,057,313	-
Security Aid	10-3177	78,003	-	78,003	78,003	-
Categorical Transportation Aid	10-3121	240,580	-	240,580	240,580	-
Extraordinary Aid	10-3131	135,000	-	135,000	268,669	133,669
Non Public Transportation	10-3XXX	-	-	-	40,929	40,929
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	2,217,879	2,217,879
On-Behalf TPAF Pension Contributions		-	-	-	8,442,708	8,442,708
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	2,235	2,235
Reimbursed TPAF Social Security Contributions		-	-	-	1,790,555	1,790,555
Total State Sources		4,191,251	-	4,191,251	16,819,226	12,627,975
Federal Sources:						
Medicare Reimbursement	10-4210	26,504	-	26,504	9,831	(16,673)
FFCRA/SEMI	10-4210	-	-	-	10,326	10,326
Total Federal Sources		26,504	-	26,504	20,157	(6,347)
Total Revenues		52,039,389	-	52,039,389	65,063,830	13,024,441
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	1,031,536	3,775	1,035,311	1,032,203	3,108
Grades 1 - 5	11-120-100-101	7,893,743	(615,945)	7,277,798	7,250,712	27,086
Grades 6 - 8	11-130-100-101	5,097,274	23,904	5,121,178	5,063,726	57,452
Home Instruction:						
Salaries of Teachers	11-150-100-101	4,600	-	4,600	2,079	2,521
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	42,000	15,610	57,610	57,610	-
Purchased Professional - Educational Services						
Purchased Technical Services	11-190-100-320	1,402,665	102,389	1,505,054	1,504,299	755
Other Purchased Services	11-190-100-340	73,958	309,572	383,530	376,524	7,006
General Supplies	11-190-100-500	188,157	70,368	258,525	246,216	12,309
Other Objects	11-190-100-610	620,898	259,232	880,130	805,267	74,863
	11-190-100-800	53,030	(16,000)	37,030	30,896	6,134
Total Regular Programs		16,407,861	152,905	16,560,766	16,369,532	191,234
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	179,632	-	179,632	176,632	3,000
Total Learning and/or Language Disabilities		179,632	-	179,632	176,632	3,000
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	378,804	-	378,804	378,804	-
Purchased Professional - Educational Services	11-212-100-320	128,750	-	128,750	128,750	-
Total Multiple Disabilities:		507,554	-	507,554	507,554	-
Resource Room:						
Salaries of Teachers	11-213-100-101	4,620,336	(127,137)	4,493,199	4,493,189	10
Purchased Professional - Educational Services	11-213-100-320	3,318,095	203,278	3,521,373	3,404,559	116,814
General Supplies	11-213-000-610	3,300	-	3,300	2,379	921
Total Resource Room		7,941,731	76,141	8,017,872	7,900,127	117,745

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			POSITIVE (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Preschool Handicapped - Part-Time:						
Salaries of Teachers	11-215-100-101	189,268	-	189,268	189,036	232
Other Salaries for Instruction	11-215-100-106	-	-	-	-	-
Purchased Professional -						
Educational Services	11-215-100-320	123,600	-	123,600	123,600	-
General Supplies	11-215-100-600	1,400	(1,395)	5	2	3
Other Objects	11-215-100-800	-	-	-	-	-
Total Preschool Handicapped -Part-Time		314,268	(1,395)	312,873	312,638	235
Preschool Handicapped - Full-Time:						
Salaries of Teachers	11-216-100-101	65,361	(5)	65,356	64,707	649
General Supplies	11-216-100-600	300	(300)	-	-	-
Total Home Instruction		65,661	(305)	65,356	64,707	649
Total Special Education		9,008,846	74,441	9,083,287	8,961,658	121,629
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	444,254	(12,100)	432,154	428,218	3,936
General Supplies	11-230-100-610	8,000	121	8,121	5,320	2,801
Total Basic Skills/Remedial		452,254	(11,979)	440,275	433,538	6,737
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	20,000	9,630	29,630	17,644	11,986
Supplies and Materials	11-401-100-600	2,750	10,282	13,032	12,574	458
Total School Sponsored Cocurricular Activities		22,750	19,912	42,662	30,218	12,444
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	30,000	6,515	36,515	36,515	-
Purchased Services	11-402-100-500	8,000	-	8,000	6,611	1,389
Supplies and Materials	11-402-100-600	10,000	2,966	12,966	12,771	195
Total School Sponsored Athletics - Instruction		48,000	9,481	57,481	55,897	1,584
Other Instructional Programs						
Salaries	11-4xx-100-100	5,750	(2,046)	3,704	-	3,704
Supplies and Materials	11-4xx-100-600	3,750	2,000	5,750	3,464	2,286
Total Other Instructional Programs		9,500	(46)	9,454	3,464	5,990
Total - Instruction		25,949,211	244,714	26,193,925	25,854,307	339,618
Undistributed Expenditures:						
Tuition						
Tuition to Other LEA'S Within State - Special	11-000-100-562	-	45,000	45,000	41,768	3,232
Tuition to CSSD & Regular Day Schools	11-000-100-565	214,550	(51,533)	163,017	152,567	10,450
Tuition to Private School for Handicapped - State	11-000-100-566	611,144	283,182	894,326	809,756	84,570
Tuition to Private School for Handicapped - Outside State	11-000-100-567	-	2,200	2,200	2,200	-
Tuition - Other	11-000-100-569	10,000	33,542	43,542	43,542	-
Total Tuition		835,694	312,391	1,148,085	1,049,833	98,252
Attendance & Social Work Services:						
Salaries	11-000-211-100	25,113	-	25,113	25,113	-
Total Attendance & Social Work Services		25,113	-	25,113	25,113	-
Health Services:						
Salaries	11-000-213-100	649,264	(18,375)	630,889	627,093	3,796
Purchased Professional & Technical Services	11-000-213-300	1,300	23,400	24,700	22,116	2,584
Other Purchased Services	11-000-213-500	800	600	1,400	417	983
Supplies and Materials	11-000-213-600	13,000	-	13,000	9,906	3,094
Total Health Services		664,364	5,625	669,989	659,532	10,457

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	653,091	(50,183)	602,908	589,079	13,829
Purchased Technical Services	11-000-216-320	250,000	(59,126)	190,874	159,631	31,243
Supplies and Materials	11-000-216-600	4,500	-	4,500	4,446	54
Other Objects	11-000-216-800	1,500	(130)	1,370	1,190	180
Total Other Support Services - Students - Related Services		909,091	(109,439)	799,652	754,346	45,306
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	801,749	(31,780)	769,969	752,211	17,758
Other Purchased Professional & Technical Services	11-000-218-390	4,025	-	4,025	2,831	1,194
Other Purchased Services	11-000-218-500	1,000	(1,000)	-	-	-
Supplies and Materials	11-000-218-600	14,200	(5,552)	8,648	6,203	2,445
Total Other Support Services - Students - Special Services		820,974	(38,332)	782,642	761,245	21,397
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,643,991	(76,495)	1,567,496	1,502,318	65,178
Other Purchased Educational Services	11-000-219-320	70,000	5,200	75,200	63,904	11,296
Supplies and Materials	11-000-219-600	25,000	(4,456)	20,544	19,320	1,224
Total Other Support Services - Students - Special Services		1,738,991	(75,751)	1,663,240	1,585,542	77,698
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	771,615	(4,426)	767,189	760,802	6,387
Salaries Other Instruction	11-000-221-104	106,716	(35,893)	70,823	70,530	293
Other Salaries	11-000-221-110	49,929	-	49,929	49,929	-
Other Purchased Educational Services	11-000-221-320	-	-	-	-	-
Other Purchased Services	11-000-221-500	40,405	(20,895)	19,510	9,452	10,058
Total Improvement of Instruction Services/Other Support Services Instructional Staff		968,665	(61,214)	907,451	890,713	16,738
Educational Media Services/School Library:						
Salaries	11-000-222-100	669,193	-	669,193	668,474	719
Supplies and Materials	11-000-222-600	80,487	(1,411)	79,076	76,262	2,814
Total Educational Media Services/School Library		749,680	(1,411)	748,269	744,736	3,533
Instructional Staff Training Services:						
Salaries of Supervisors of Instruction	11-000-223-102	48,640	252	48,892	3,759	45,133
Total Instructional Staff Training Services		48,640	252	48,892	3,759	45,133
Support Services General Administration:						
Salaries	11-000-230-100	404,271	(56,772)	347,499	334,020	13,479
Professional Salaries	11-000-230-104	65,000	(37,228)	27,772	27,772	-
Legal Services	11-000-230-331	35,000	50,000	85,000	68,429	16,571
Audit fees	11-000-230-332	10,000	30,000	40,000	38,000	2,000
Architectural/Engineering Services	11-000-230-334	86,500	(49,201)	37,299	23,190	14,109
Other Purchased Professional Services	11-000-230-339	-	87,812	87,812	86,169	1,643
Communications/Telephone	11-000-230-530	309,000	16,776	325,776	287,066	38,710
Travel	11-000-230-585	1,000	2,100	3,100	1,708	1,392
Other Purchased Services	11-000-230-590	187,300	(15,381)	171,919	169,556	2,363
Supplies and Materials	11-000-230-610	12,500	(5,831)	6,669	-	6,669
In House Training Supplies	11-000-230-630	1,500	(1,500)	-	-	-
Judgements Against School District	11-000-230-820	-	29,000	29,000	29,000	-
Miscellaneous Expenditures	11-000-230-890	9,800	1,879	11,679	11,456	223
BOE Membership Dues	11-000-230-895	25,000	-	25,000	22,435	2,565
Total Support Services General Administration		1,146,871	51,654	1,198,525	1,098,801	99,724
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,224,661	(26,800)	1,197,861	1,177,045	20,816
Salaries of Secretarial & Clerical Assistants	11-000-240-105	904,009	(4,690)	899,319	867,995	31,324
Unused Vacation Payment	11-000-240-199	-	4,970	4,970	-	4,970
Purchased Professional & Technical Services	11-000-240-300	5,000	4,200	9,200	8,120	1,080
Other Purchased Services	11-000-240-500	69,550	(2,270)	67,280	60,735	6,545
General Supplies	11-000-240-600	100,974	(2,697)	98,277	80,659	17,618
Other Objects	11-000-240-800	13,190	(646)	12,544	9,661	2,883
Total Support Services School Administration		2,317,384	(27,933)	2,289,451	2,204,215	85,236

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Central Services:						
Salaries	11-000-251-100	624,055	34,809	658,864	657,914	950
Purchased Professional Services	11-000-251-330	7,000	31,240	38,240	32,952	5,288
Purchased Technical Services	11-000-251-340	17,500	-	17,500	17,500	-
Other Purchased Services	11-000-251-592	8,000	-	8,000	4,525	3,475
General Supplies	11-000-251-600	24,600	(4,851)	19,749	5,671	14,078
Miscellaneous Expenditures	11-000-251-890	42,015	680	42,695	38,367	4,328
Total Central Services		723,170	61,878	785,048	756,929	28,119
Administrative Information Technology:						
Salaries	11-000-252-100	358,685	(13,473)	345,212	341,173	4,039
Purchased Technical Services	11-000-252-340	44,300	(5,747)	38,553	33,093	5,460
Other Purchased Services	11-000-252-500	51,000	(6,931)	44,069	41,261	2,808
General Supplies	11-000-252-600	28,500	1,409	29,909	27,493	2,416
Total Administrative Information Technology		482,485	(24,742)	457,743	443,020	14,723
Maintenance for School Facilities:						
Salaries	11-000-261-100	532,791	51,487	584,278	571,809	12,469
Cleaning, Repair & Maintenance	11-000-261-420	337,350	217,803	555,153	425,318	129,835
General Supplies	11-000-261-610	360,750	(170,670)	190,080	149,810	40,270
Other Objects	11-000-261-800	1,400	1,668	3,068	2,299	769
Total Maintenance for School Facilities		1,232,291	100,288	1,332,579	1,149,236	183,343
Custodial Services:						
Salaries	11-000-262-100	1,369,325	24,293	1,393,618	1,255,582	138,036
Salaries of Noninstructional Aides	11-000-262-107	155,500	(155,500)	-	-	-
Unused Vacation Payment	11-000-262-199	-	5,797	5,797	5,797	-
Cleaning, Repair & Maintenance						
Services	11-000-262-420	191,000	(45,540)	145,460	120,297	25,163
Lease Purchase Payments- Energy Savings	11-000-262-441	150,000	41,000	191,000	189,911	1,089
Other Purchased Property Services	11-000-262-490	152,000	25,269	177,269	177,269	-
Insurance	11-000-262-520	-	152,000	152,000	132,118	19,882
General Supplies	11-000-262-610	183,000	(38,197)	144,803	121,452	23,351
Energy (Natural Gas)	11-000-262-621	125,000	-	125,000	117,199	7,801
Energy (Heat & Electricity)	11-000-262-622	655,000	(4,000)	651,000	650,867	133
Other Objects	11-000-262-800	8,000	2,400	10,400	8,960	1,440
Total Custodial Services		2,988,825	7,522	2,996,347	2,779,452	216,895
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	160,588	-	160,588	153,647	6,941
Cleaning, Repair & Maintenance						
Services	11-000-263-420	84,000	168,000	252,000	88,167	163,833
General Supplies	11-000-263-610	96,300	(13,685)	82,615	64,743	17,872
Total Care & Upkeep of Grounds		340,888	154,315	495,203	306,557	188,646
Security:						
Cleaning, Repair & Maintenance						
Services	11-000-266-420	178,240	4,000	182,240	181,836	404
General Supplies	11-000-266-610	46,400	(4,000)	42,400	38,449	3,951
Total Security		224,640	-	224,640	220,285	4,355
Total Other Operating & Maintenance of Plant Services		4,786,644	262,125	5,048,769	4,455,530	593,239
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,169,382	(133,256)	1,036,126	1,035,567	559
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	372,630	(11,079)	361,551	360,265	1,286
Salaries for Pupil Transportation - (Other than Home & School)	11-000-270-162	250,000	41,345	291,345	287,845	3,500
Salaries for Pupil Transportation (Between Home & School) - NonPublic	11-000-270-163	-	2,623	2,623	-	2,623
Purchased Professional & Technical Services	11-000-270-390	43,000	29,869	72,869	72,861	8
Contracted Services Aid in Lieu of Payments- NonPub Sch	11-000-270-503	120,000	14,300	134,300	134,144	156
Contract Svc (btw home & sch) - joint agree	11-000-270-513	50,000	51,000	101,000	52,044	48,956
Contract svc (Sp Ed) - ESCs	11-000-270-518	70,000	(64,000)	6,000	-	6,000
Miscellaneous Purchased Services	11-000-270-593	322,194	(3,991)	318,203	317,285	918
General Supplies	11-000-270-610	8,375	(8,081)	294	-	294
Transportation Supplies	11-000-270-615	393,703	7,000	400,703	383,606	17,097
Miscellaneous Expenditures	11-000-270-800	4,600	-	4,600	3,056	1,544
Total Student Transportation Services		2,803,884	(74,270)	2,729,614	2,646,673	82,941

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	525,000	32,113	557,113	542,884	14,229
Other Retirement Contributions						
PERS	11-000-291-241	650,000	98,690	748,690	748,690	-
Unemployment Compensation	11-000-291-250	75,000	(75,000)	-	-	-
Workmen's Compensation	11-000-291-260	357,500	(26,360)	331,140	328,771	2,369
Health Benefits	11-000-291-270	7,336,976	(499,516)	6,837,460	6,590,902	246,558
Tuition Reimbursement	11-000-291-280	98,652	66,077	164,729	164,729	-
Other Employee Benefits	11-000-291-290	260,000	140,823	400,823	252,823	148,000
Unused Sick Payment to Term Staff	11-000-291-299	-	69,008	69,008	69,008	-
Total Unallocated Benefits		9,303,128	(194,165)	9,108,963	8,697,807	411,156
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	2,217,879	(2,217,879)
On-Behalf TPAF Pension Contributions		-	-	-	8,442,708	(8,442,708)
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	2,235	(2,235)
Reimbursed TPAF Social Security Contributions		-	-	-	1,790,555	(1,790,555)
Total Undistributed Expenditures		28,324,778	86,668	28,411,446	39,231,171	(10,819,725)
Total Expenditures - Current Expense		54,273,989	331,382	54,605,371	65,085,478	(10,480,107)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604	1,000	-	1,000	-	1,000
Equipment:						
Grades 1-5	12-120-100-730	29,600	(10,910)	18,690	18,602	88
Undistributed Expenditures:						
Instruction	12-000-100-730	17,500	(17,500)	-	-	-
General Administration	12-000-230-730	3,000	(3,000)	-	-	-
Required Maintenance for School Facilities	12-000-261-730	83,500	30,893	114,393	102,281	12,112
Care and Upkeep of Grounds	12-000-263-730	14,000	90,010	104,010	103,720	290
Student Transportation - Noninstructional Equipment	12-000-270-732	4,000	-	4,000	3,406	594
School Buses- Regular	12-000-270-733	363,700	257,000	620,700	362,456	258,244
Total Equipment		515,300	346,493	861,793	590,465	271,328
Facilities Acquisition & Construction Services:						
Other Purchased Prof. and Tech. Services	12-000-400-390	140,000	-	140,000	140,000	-
Construction Services	12-000-400-450	320,000	-	320,000	307,547	12,453
Lease Purchase Agreement Principal	12-000-400-721	581,000	-	581,000	580,287	713
Assesment for Debt service On SDA funding	12-000-400-896	85,043	-	85,043	85,043	-
Total Facilities Acquisition & Construction Services		1,126,043	-	1,126,043	1,112,877	13,166
Total Capital Outlay		1,642,343	346,493	1,988,836	1,703,342	285,494
Total Assets Acquired Under Financed Purchases (Nonbudgeted):						
Equipment		-	-	-	735,000	(735,000)
Total Assets Acquired Under Financed Purchases/ (Nonbudgeted)		-	-	-	735,000	(735,000)

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	JUNE 30, 2023				POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Special Schools:						
Summer School - Instruction:						
Salaries of Teachers	13-422-100-101	95,000	8,640	103,640	93,588	10,052
Purchased Professional & Technical Services	13-422-100-300	36,565	-	36,565	36,565	-
General Supplies	13-422-100-610	7,950	(5,421)	2,529	1,104	1,425
Total Summer School - Instruction		<u>139,515</u>	<u>3,219</u>	<u>142,734</u>	<u>131,257</u>	<u>11,477</u>
Total Expenditures		<u>56,055,847</u>	<u>681,094</u>	<u>56,736,941</u>	<u>67,655,077</u>	<u>(10,918,136)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		<u>(4,016,458)</u>	<u>(681,094)</u>	<u>(4,697,552)</u>	<u>(2,591,247)</u>	<u>2,106,305</u>
Other Financing Sources/(Uses):						
Transfer to Charter Schools		(43,542)	43,542	-	-	-
Financed Purchases (Nonbudgeted)		-	-	-	735,000	735,000
Total Other Financing Sources/(Uses)		<u>(43,542)</u>	<u>43,542</u>	<u>-</u>	<u>735,000</u>	<u>735,000</u>
Excess/(Deficiency) of Revenues Over/(Under) After Expenditures & Other Financing Sources/(Uses)		<u>(4,060,000)</u>	<u>(637,552)</u>	<u>(4,697,552)</u>	<u>(1,856,247)</u>	<u>2,841,305</u>
Fund Balance, July 1		<u>10,585,174</u>	<u>-</u>	<u>10,585,174</u>	<u>10,585,174</u>	<u>-</u>
Fund Balance, June 30		<u>\$ 6,525,174</u>	<u>\$ (637,552)</u>	<u>\$ 5,887,622</u>	<u>\$ 8,728,927</u>	<u>\$ 2,841,305</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 637,552</u>
Total Budget Transfers	<u>\$ 637,552</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Excess Surplus	\$ 1,643,927	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,897,141	
Capital Reserve	1,066,021	
Maintenance Reserve	750,000	
New Jersey Unemployment Trust	224,879	
Assigned Fund Balance:		
Reserve for Encumbrances	661,998	
Designated for Subsequent Year's Expenditures	1,221,029	
Unassigned Fund Balance	<u>1,263,932</u>	
Subtotal	8,728,927	
Reconciliation to Governmental Funds Statements (GAAP):		
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(384,691)</u>	
Fund Balance per Governmental Funds (GAAP)	<u>\$ 8,344,236</u>	

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2023

	JUNE 30, 2023				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 165,786	\$ -	\$ 165,786	\$ 206,342	\$ 40,556
Federal Sources	700,689	1,084,620	1,785,309	1,232,828	(552,481)
Local Sources	-	-	-	273,484	273,484
Total Revenues	866,475	1,084,620	1,951,095	1,712,654	(238,441)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	84,983	115,598	200,581	130,789	69,792
Purchased Professional & Technical Services	-	85,689	85,689	81,091	4,598
Purchased Professional - Educational Services	-	325,810	325,810	40,424	285,386
Tuition	631,876	(28,632)	603,244	603,244	-
General Supplies	-	222,428	222,428	205,392	17,036
Textbooks	-	21,000	21,000	20,036	964
Total Instruction	716,859	741,893	1,458,752	1,080,976	377,776
Support Services:					
Other Salaries	141,116	(8,152)	132,964	64,350	68,614
Purchased Professional & Technical Services	-	2,443	2,443	1,614	829
Purchased Professional - Educational Services	-	139,780	139,780	118,964	20,816
Personal Services - Employee Benefits	-	113,686	113,686	98,784	14,902
Other Purchased Services (400-500 Series)	-	6,739	6,739	-	6,739
Supplies & Materials	8,500	88,231	96,731	92,152	4,579
Scholarships Awarded	-	-	-	1,215	(1,215)
Student Activities	-	-	-	254,922	(254,922)
Total Support Services	149,616	342,727	492,343	632,001	(139,658)
Total Expenditures	866,475	1,084,620	1,951,095	1,712,977	238,118
Total Outflows	866,475	1,084,620	1,951,095	1,712,977	238,118
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (323)</u>	<u>\$ (323)</u>
Fund Balance, July 1				<u>\$ 237,845</u>	
Fund Balance, June 30				<u>\$ 237,522</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 7,840	
Student Activities				<u>229,682</u>	
Total Fund Balance				<u>\$ 237,522</u>	

This page intentionally left blank.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 65,063,830	\$ 1,712,654
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	138,052
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(384,691)	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	395,879	-
	\$ 65,075,018	\$ 1,850,706
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	\$ 67,655,077	\$ 1,712,977
Differences- Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposed, but in the year the supplies are received for financial reporting purposes.	\$ -	\$ 138,052
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 67,655,077	\$ 1,851,029

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank.

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 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 pension liability (asset)	0.05667%	0.05524%	0.05522%	0.05623%	0.05587%	0.05536%	0.06503%	0.05607%	0.05611%	0.05557%
District's proportionate share of the net pension liability (asset)	\$8,552,428	\$6,544,071	\$9,005,088	\$10,133,270	\$11,000,426	\$12,886,941	\$16,298,352	\$12,585,870	\$10,505,332	\$10,620,617
District's covered-employee payroll	4,137,405	4,760,005	4,084,471	4,004,074	3,920,949	3,785,183	3,818,964	3,729,825	3,777,913	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	206.710%	137.480%	220.471%	253.074%	280.555%	340.458%	426.774%	337.439%	278.072%	N/A
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%

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 714,648	\$ 646,931	\$ 604,089	\$ 547,032	\$ 555,721	\$ 512,852	\$ 488,880	\$ 482,024	\$ 462,563	\$ 418,712
Contributions in relation to the contractually required contribution	714,648	646,931	604,089	547,032	555,721	512,852	488,880	482,024	462,563	418,712
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,137,405	\$ 4,760,005	\$ 4,084,471	\$ 4,004,074	\$ 3,920,949	\$ 3,785,183	\$ 3,818,964	\$ 3,729,825	\$ 3,777,913	N/A
Contributions as a percentage of covered-employee payroll	17.27%	13.59%	14.79%	13.66%	14.17%	13.55%	12.80%	12.92%	12.24%	N/A

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 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 pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 105,522,270	\$ 97,872,633	\$135,376,991	\$ 120,376,222	\$ 121,715,287	\$ 126,363,955	\$ 153,013,572	\$ 118,369,399	\$ 100,271,313	\$96,829,050
District's covered-employee payroll	\$ 24,869,848	\$ 25,152,758	\$23,211,359	\$ 23,026,807	\$ 22,129,369	\$ 22,003,339	\$ 20,283,185	\$ 19,872,833	\$ 19,123,833	\$19,278,396
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

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

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SIX FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability						
Service Cost	\$ 4,931,426	\$ 5,759,082	\$ 3,217,455	\$ 3,051,108	\$ 3,485,870	\$ 4,217,274
Interest Cost	2,843,429	3,245,258	3,131,399	3,833,725	4,176,189	3,623,250
Difference between Expected and Actual Differences	5,927,572	(23,245,272)	24,416,178	(15,448,683)	(11,095,263)	-
Changes of Assumptions	(28,782,777)	123,422	25,882,284	1,303,690	(11,165,827)	(15,057,284)
Contributions: Member	90,355	82,965	74,767	79,563	89,923	97,581
Gross Benefit Payments	(2,816,501)	(2,556,354)	(2,466,743)	(2,684,049)	(2,601,806)	(2,650,033)
Net Change in District's Total OPEB Liability	(17,806,496)	(16,590,899)	54,255,340	(9,864,646)	(17,110,914)	(9,769,212)
District's Total OPEB Liability (Beginning)	125,101,237	141,692,136	87,436,796	97,301,442	114,412,356	124,181,568
District's Total OPEB Liability (Ending)	<u>\$ 107,294,741</u>	<u>\$ 125,101,237</u>	<u>\$ 141,692,136</u>	<u>\$ 87,436,796</u>	<u>\$ 97,301,442</u>	<u>\$ 114,412,356</u>
District's Covered Employee Payroll	\$ 29,007,253	\$ 29,912,763	\$ 27,295,830	\$ 27,030,881	\$ 26,050,318	\$ 26,050,318
District's Net OPEB Liability as a Percentage of Payroll	370%	418%	519%	323%	374%	439%

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

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

This page intentionally left blank.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

This page intentionally left blank.

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank.

D. School Based Budget Schedules

Not Applicable

This page intentionally left blank.

E. Special Revenue Fund

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
RUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	E.S.E.A.		CRRSA LEARNING ACCELERATION	CRRSA MENTAL HEALTH	ARP ESSER III	ARP ACCELERATED LEARNING	ARP ESSER III MENTAL HEALTH	ARP PART B BASIC I.D.E.A.	ARP PART B BASIC I.D.E.A.	I.D.E.A. REGULAR PROGRAM	I.D.E.A. PRESCHOOL
	TITLE I	TITLE II PART A									
Revenues:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Federal Sources	53,009	4,982	979	39,560	399,528	37,010	1,074	27,527	638,132	26,344	
Total Revenues	\$ 53,009	\$ 4,982	\$ 979	\$ 39,560	\$ 399,528	\$ 37,010	\$ 1,074	\$ 27,527	\$ 638,132	\$ 26,344	
Expenditures:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Instruction:											
Salaries of Teachers	10,789	-	-	-	120,000	-	-	-	-	-	-
Purchased Professional & Technical Services	38,850	-	-	-	-	500	1,074	5,689	-	-	-
Purchased Professional Educational Services	681	-	-	-	30,000	-	-	19,315	10,170	16,652	9,692
General Supplies	-	-	-	-	-	-	-	-	-	593,552	-
Tuition	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	50,320	-	-	-	150,000	500	1,074	25,004	603,722	26,344	
Support Services:											
Other Salaries	-	-	-	-	60,000	-	-	-	-	-	-
Purchased Professional & Technical Services	1,614	-	4,350	-	-	-	-	-	-	-	-
Purchased Professional Educational Services	-	4,982	979	39,560	-	36,510	-	2,523	34,410	-	-
Personal Services - Employee Benefits	-	-	-	-	98,451	-	-	-	-	-	-
Supplies and Materials	1,075	-	-	-	91,077	-	-	-	-	-	-
Total Support Services	2,689	4,982	979	39,560	249,528	36,510	-	2,523	34,410	-	-
Total Expenditures	\$ 53,009	\$ 4,982	\$ 979	\$ 39,560	\$ 399,528	\$ 37,010	\$ 1,074	\$ 27,527	\$ 638,132	\$ 26,344	

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

	NJ NONPUBLIC HANDICAPPED SERVICES CH 193			
	INITIAL EXAM	ANNUAL EXAM	CORRECTIVE SPEECH	COMPENSATORY EDUCATION
Revenues:				
State Sources	\$ 21,807	\$ 7,764	\$ 10,416	\$ 26,585
Total Revenues	\$ 21,807	\$ 7,764	\$ 10,416	\$ 26,585
Expenditures:				
Purchased Professional & Technical Services	\$ 21,807	\$ 7,764	\$ 10,416	\$ 26,585
Total Expenditures	\$ 21,807	\$ 7,764	\$ 10,416	\$ 26,585

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

	NONPUBLIC NURSING PROGRAM	NONPUBLIC SECURITY	NONPUBLIC TEXTBOOKS PROGRAM	NONPUBLIC TECHNOLOGY PROGRAM	MEDFORD EDUCATION FOUNDATION	HEALTH & WELLNESS	SCHOLARSHIP	STUDENT ACTIVITIES	TOTALS
Revenues:									
State Sources	\$ 35,616	\$ 71,063	\$ 20,036	\$ 13,055	\$ -	\$ -	\$ -	\$ -	\$ 206,342
Federal Sources	-	-	-	-	-	-	-	-	1,232,828
Local Sources	-	-	-	-	10,165	7,505	126	255,688	273,484
Total Revenues	\$ 35,616	\$ 71,063	\$ 20,036	\$ 13,055	\$ 10,165	\$ 7,505	\$ 126	\$ 255,688	\$ 1,712,654
Expenditures:									
Instruction:									
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,789
Purchased Professional & Technical Services	-	-	-	-	1,325	7,505	-	-	81,091
Purchased Professional Educational Services	-	-	-	-	-	-	-	-	40,424
General Supplies	35,616	71,063	-	13,055	8,840	-	-	-	205,392
Tuition	-	-	-	-	-	-	-	-	603,244
Textbooks	-	-	20,036	-	-	-	-	-	20,036
Total Instruction	\$ 35,616	\$ 71,063	\$ 20,036	\$ 13,055	\$ 10,165	\$ 7,505	\$ -	\$ -	\$ 1,080,976
Support Services:									
Other Salaries	-	-	-	-	-	-	-	-	64,350
Purchased Professional & Technical Services	-	-	-	-	-	-	-	-	1,614
Purchased Professional Educational Services	-	-	-	-	-	-	-	-	118,964
Personal Services - Employee Benefits	-	-	-	-	-	-	-	-	98,784
Supplies and Materials	-	-	-	-	-	-	-	-	92,152
Scholarships Awarded	-	-	-	-	-	-	1,215	-	1,215
Student Activities	-	-	-	-	-	-	-	254,922	254,922
Total Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,215	\$ 254,922	\$ 632,001
Total Expenditures	\$ 35,616	\$ 71,063	\$ 20,036	\$ 13,055	\$ 10,165	\$ 7,505	\$ 1,215	\$ 254,922	\$ 1,712,977
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	(1,089)	766	(323)
Fund Balance, July 1	-	-	-	-	-	-	8,929	228,916	237,845
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,840	\$ 229,682	\$ 237,522

This page intentionally left blank.

F. Capital Projects Fund

Not Applicable

This page intentionally left blank.

G. Proprietary Funds

This page intentionally left blank.

Enterprise Funds

Not Applicable
See B-4 Through B-6

This page intentionally left blank.

I. Long-Term Debt

This page intentionally left blank.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	ANNUAL MATURITIES AMOUNT	INTEREST RATE	BALANCE JULY 1, 2022	RETIRED	BALANCE JUNE 30, 2023
Refunding Bond Issue	12/16/2015	\$ 18,715,000	03/01/24 03/01/25 03/01/26 03/01/27	\$ 1,695,000 1,685,000 1,670,000 1,655,000	5.00% 5.00% 5.00% 5.00%	\$ 8,410,000	\$ 1,705,000	\$ 6,705,000
Total						\$ 8,410,000	\$ 1,705,000	\$ 6,705,000

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
JUNE 30, 2023**

DESCRIPTION	DATE OF LEASE	TERM	LAST PAYMENT DUE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2022	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2023
Energy Savings Improvement Program (ESIP)	10/29/2015	15 YEARS	6/30/2031	2.480%	\$ 2,460,940	\$ 1,577,061	\$ -	\$ 151,741	\$ 1,425,320
2019 Lease Purchase Agreement for Various Projects	8/10/2018	5 YEARS	9/1/2022	2.980%	1,125,000	225,000	-	225,000	-
2020 Lease Purchase Agreement for Various Projects	4/30/2019	5 YEARS	9/1/2023	2.516%	775,000	310,000	-	155,000	155,000
2021 Passenger School Buses (4) and Chromebooks	9/1/2020	5 YEARS	9/1/2024	1.943%	380,000	228,000	-	76,000	152,000
2022 Passenger School Buses and Maintenance Vehicles	9/1/2021	5 YEARS	9/1/2025	1.243%	435,000	348,000	-	87,000	261,000
2023 Passenger School Buses (2), Chromebooks, Vehicles and Equipment	9/8/2022	5 YEARS	9/8/2026	2.986%	735,000	-	735,000	147,000	588,000
Total					\$ 2,668,061	\$ 2,668,061	\$ 735,000	\$ 841,741	\$ 2,581,320

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,125,500	\$ -	\$ 2,125,500	\$ 2,125,500	\$ -
Total Revenues	2,125,500	-	2,125,500	2,125,500	-
Expenditures:					
Regular Debt Service:					
Interest	420,500	-	420,500	420,500	-
Redemption of Principal	1,705,000	-	1,705,000	1,705,000	-
Total Expenditures	2,125,500	-	2,125,500	2,125,500	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Other Financing Sources/(Uses):					
Operating Transfers In	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	-	-	-	-	-
Fund Balance, July 1	16,736	-	16,736	16,736	-
Fund Balance, June 30	\$ 16,736	\$ -	\$ 16,736	\$ 16,736	\$ -

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2023**

	OUTSTANDING BALANCE 2022	\$	ADDITIONS/ (DEDUCTIONS)	\$	OUTSTANDING BALANCE 2023
Compensated Absences	\$ 1,575,723	\$	(78,316)	\$	1,497,407

STATISTICAL SECTION (Unaudited)

This page intentionally left blank.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 30,405,378	\$ 28,835,021	\$ 42,192,244	\$ 40,519,627	\$ 38,776,843	\$ 36,900,040	\$ 34,972,288	\$ 33,829,130	\$ 32,270,778	\$ 31,885,856
Restricted	5,836,226	6,768,976	8,498,719	5,205,748	3,637,941	4,913,874	4,718,068	3,945,091	2,182,135	1,346,729
Unrestricted	(8,154,629)	(8,629,214)	(12,793,544)	(12,760,951)	(11,619,986)	(12,201,410)	(11,656,636)	(10,349,224)	(9,728,096)	(9,138,954)
Total Governmental Activities Net Position	\$ 28,086,975	\$ 26,974,783	\$ 37,897,419	\$ 32,964,424	\$ 30,794,798	\$ 29,612,504	\$ 28,033,720	\$ 27,424,997	\$ 24,724,817	\$ 24,093,631
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 155,093	\$ 99,211	\$ 2,455	\$ 21,351	\$ 31,374	\$ 41,397	\$ 32,939	\$ 44,953	\$ 56,967	\$ 68,981
Unrestricted	214,851	282,851	102,181	10,167	82,237	98,453	138,752	95,004	79,909	85,683
Total Business-Type Activities Net Position	\$ 369,944	\$ 382,062	\$ 104,636	\$ 31,518	\$ 113,611	\$ 139,850	\$ 171,691	\$ 139,957	\$ 136,876	\$ 154,664
District-Wide:										
Net Investment in										
Capital Assets	\$ 30,560,471	\$ 28,934,232	\$ 42,194,699	\$ 40,540,978	\$ 38,808,217	\$ 36,941,437	\$ 35,005,227	\$ 33,874,083	\$ 32,327,745	\$ 31,954,837
Restricted	5,836,226	6,768,976	8,498,719	5,205,748	3,637,941	4,913,874	4,718,068	3,945,091	2,182,135	1,346,729
Unrestricted	(7,939,778)	(8,346,363)	(12,691,363)	(12,750,784)	(11,537,749)	(12,102,957)	(11,517,884)	(10,254,220)	(9,648,187)	(9,053,271)
Total District Net Position	\$ 28,456,919	\$ 27,356,845	\$ 38,002,055	\$ 32,995,942	\$ 30,908,409	\$ 29,752,354	\$ 28,205,411	\$ 27,564,954	\$ 24,861,693	\$ 24,248,295

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 17,588,560	\$ 16,287,491	\$ 16,337,179	\$ 15,759,945	\$ 15,405,561	\$ 15,032,487	\$ 14,307,032	\$ 13,758,874	\$ 13,812,482	\$ 13,264,305
Special Education	8,961,658	8,056,098	7,192,799	7,242,507	7,883,326	7,716,671	6,386,063	6,050,481	5,251,205	5,332,693
Other Special Instruction	433,538	389,815	469,597	452,251	396,414	447,364	540,792	512,589	436,086	500,752
Other Instruction	89,579	56,928	17,993	64,799	51,035	33,529	94,766	80,663	121,015	99,833
Support Services & Undistributed Costs:										
Tuition	1,049,833	772,822	713,833	1,387,347	1,069,692	1,241,226	1,573,598	1,254,692	1,486,260	1,723,175
Attendance & Social Work Services	25,113	22,744	18,415	17,879	26,568	17,605	16,608	16,130	15,718	14,617
Health Services	659,532	635,577	624,968	598,413	593,655	584,001	559,768	534,331	503,721	490,200
Student & Instruction Related Services	3,733,134	3,494,949	3,142,405	2,912,718	2,925,573	2,831,238	3,240,732	2,852,636	2,857,722	2,791,497
Educational Media Services/ School Library	744,736	695,333	670,449	669,748	704,914	698,769	535,886	478,188	481,778	444,490
Instructional Staff Training	894,472	786,921	926,785	971,652	770,764	747,816	774,077	652,502	633,882	644,526
School Administrative Services	3,883,303	3,788,781	3,718,359	3,844,557	4,238,852	4,035,464	3,807,096	3,647,313	3,435,720	3,271,999
Other Administrative Services	1,199,949	1,240,519	1,092,399	1,066,744	996,743	1,010,071	990,594	1,014,369	883,693	889,890
Plant Operations & Maintenance	3,851,683	3,718,759	3,341,241	2,995,344	2,969,148	2,353,140	3,373,052	3,197,338	4,452,043	3,983,931
Pupil Transportation	2,646,673	2,358,576	2,056,554	2,058,148	2,359,724	2,321,136	3,349,814	3,286,286	3,386,312	3,787,193
Unallocated Benefits	9,636,107	12,685,332	13,819,620	9,750,729	12,183,626	14,715,669	8,046,356	17,808,666	15,621,007	10,688,097
Transfer to Charter Schools	4,630,454	4,002,328	10,064,872	8,737,614	8,673,772	10,311,232	5,345,399	-	11,840	22,394
Long-Term Debt and Other Charges	310,491	389,784	463,460	525,776	659,046	684,525	749,764	795,328	1,131,442	1,191,496
Special Schools	131,257	90,686	62,959	110,348	67,641	58,570	86,003	74,267	71,712	58,490
Amortization of Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Unallocated Amortization of Loss on Refunding	-	-	-	-	-	-	-	-	-	33,218
Increase in Compensated Absences	-	-	-	-	-	45,034	(311,514)	68,311	(103,086)	165,365
Reduction in Capital Leases	-	-	-	-	-	-	-	-	-	(542,720)
Adjustment to Capital Assets	-	-	-	48,463	-	-	-	-	-	-
Unallocated Depreciation	1,943,504	1,982,812	1,673,522	1,750,915	1,598,154	1,598,154	1,537,053	1,535,602	2,300,002	2,401,850
Total Governmental Activities Expenses	62,413,576	61,456,255	66,407,409	60,965,897	63,574,208	66,483,701	55,002,939	57,618,566	56,790,554	51,257,291
Business-Type Activities:										
Food Service	1,169,772	1,160,838	479,216	627,991	851,560	843,138	876,831	883,448	881,083	857,994
Total Business-Type Activities Expense	1,169,772	1,160,838	479,216	627,991	851,560	843,138	876,831	883,448	881,083	857,994
Total District Expenses	\$ 63,583,348	\$ 62,617,093	\$ 66,886,625	\$ 67,035,400	\$ 64,425,768	\$ 64,417,346	\$ 55,879,770	\$ 58,502,014	\$ 57,671,637	\$ 52,115,285
Program Revenues:										
Governmental Activities:										
Charges for Services:	\$ 8,778,950	\$ 11,516,875	\$ 17,440,243	\$ 10,868,473	\$ 13,167,119	\$ 17,442,963	\$ 6,283,069	\$ 11,441,304	\$ 5,321,321	\$ 905,056
Operating Grants & Contributions	8,778,950	11,516,875	17,440,243	10,868,473	13,167,119	17,442,963	6,283,069	11,441,304	5,321,321	905,056
Total Governmental Activities Program Revenues	8,778,950	11,516,875	17,440,243	10,868,473	13,167,119	17,442,963	6,283,069	11,441,304	5,321,321	905,056

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30,										
Business-Type Activities:										
Charges for Services:										
Food Service	742,737	15,243	44,425	419,195	655,915	677,560	703,972	698,807	690,679	643,545
Operating Grants & Contributions	405,525	1,370,040	506,746	126,703	169,406	168,439	204,593	187,722	172,616	175,423
Total Business Type Activities	1,148,262	1,385,283	551,171	545,898	825,321	845,999	908,565	886,529	863,295	818,968
Program Revenues	9,927,212	12,902,158	17,991,414	17,986,141	13,992,440	14,013,118	7,191,634	12,327,833	6,184,616	1,724,024
Net (Expense)/Revenue:	(53,634,626)	(49,939,380)	(48,967,166)	(48,967,166)	(50,407,089)	(49,040,738)	(48,719,870)	(46,177,262)	(46,177,262)	(52,140,822)
Governmental Activities:	(21,510)	224,445	71,955	66,682	(26,239)	2,861	31,734	3,081	(20,153)	(62,115)
Business-Type Activities	(53,656,136)	(49,714,935)	(48,895,211)	(48,900,484)	(50,433,328)	(49,037,877)	(48,688,136)	(46,174,181)	(46,197,415)	(52,202,937)
Total District-Wide Net Expense										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	47,219,634	46,000,759	45,490,940	44,454,187	43,464,889	42,127,705	41,301,672	40,491,836	38,926,028	37,514,654
Taxes Levied for Debt Service	2,125,500	2,088,100	2,308,250	2,300,662	2,286,650	2,618,226	2,424,616	2,618,288	3,309,458	3,384,198
Federal & State Aid Not Restricted	4,123,387	4,667,931	4,588,620	4,750,821	4,952,722	5,045,351	5,020,289	5,074,685	9,624,963	8,693,712
Transportation	164,081	127,718	28,511	113,902	216,467	119,749	-	-	-	-
Rents	182,360	220,000	-	-	-	-	-	-	-	-
Miscellaneous Income	931,856	655,936	1,113,477	647,478	668,655	708,491	582,016	692,633	702,533	652,205
Amortization of Gain on Early Retirement of Debt	-	-	-	-	-	-	-	-	-	34,618
Cancellation of Accounts Payable	-	-	70,615	-	-	-	-	-	-	-
Total Governmental Activities	54,746,818	53,760,444	53,600,413	52,267,050	51,589,383	50,619,522	49,328,593	48,877,442	52,562,982	50,279,387
Business-Type Activities:										
Adjustment to Capital Assets	9,392	-	1,163	-	-	(34,702)	-	-	-	-
Gain on Capital Assets	-	-	-	-	-	-	-	-	-	529
Total Business-Type Activities	9,392	-	1,163	-	-	(34,702)	-	-	-	529
Total District-Wide	54,756,210	53,760,444	53,601,576	52,267,050	51,589,383	50,584,820	49,328,593	48,877,442	52,562,982	50,279,916
Change in Net Position:										
Governmental Activities	1,112,192	3,821,064	4,633,247	3,299,884	1,182,294	1,578,784	608,723	2,700,180	6,385,720	(1,861,435)
Business-Type Activities	(12,118)	224,445	73,118	66,682	(26,239)	(31,841)	31,734	3,081	(20,153)	(61,586)
Total District	1,100,074	4,045,509	4,706,365	3,366,566	1,156,055	1,546,943	640,457	2,703,261	6,365,567	(1,923,021)

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 5,581,968	\$ 6,514,395	\$ 7,342,720	\$ 5,205,748	\$ 3,538,353	\$ 4,714,286	\$ 4,714,856	\$ 4,249,714	\$ 2,504,730	\$ 1,675,613
Assigned	1,883,027	1,833,876	945,078	7,242,507	2,021,258	1,322,937	1,536,468	1,849,135	2,014,037	2,125,628
Unassigned	879,241	1,841,024	1,568,896	561,328	678,897	621,351	526,943	507,317	533,214	557,967
Total General Fund	\$ 8,344,236	\$ 10,189,295	\$ 9,856,694	\$ 13,009,583	\$ 6,238,508	\$ 6,658,574	\$ 6,778,267	\$ 6,606,166	\$ 5,051,981	\$ 4,359,208
All Other Governmental Funds:										
Assigned	\$ -	\$ -	\$ -	\$ -	\$ 99,588	\$ 199,588	\$ 3,212	\$ 3,246	\$ 34	\$ 20,076
Restricted	237,522	237,845	194,185	-	-	-	-	-	-	-
Committed	16,736	16,736	16,736	16,736	16,736	-	-	-	-	1,105,302
Total All Other Governmental Funds	\$ 254,258	\$ 254,581	\$ 210,921	\$ 16,736	\$ 116,324	\$ 199,588	\$ 3,212	\$ 3,246	\$ 34	\$ 1,125,378

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 49,345,134	\$ 48,088,859	\$ 47,799,190	\$ 46,754,849	\$ 45,751,539	\$ 44,745,931	\$ 43,726,288	\$ 43,110,124	\$ 42,235,486	\$ 40,898,852
Miscellaneous	1,278,297	1,003,654	1,141,988	761,380	885,122	828,240	582,016	692,633	702,533	652,205
State Sources	17,174,808	17,238,001	14,375,685	12,858,291	12,399,413	11,466,885	10,507,992	10,030,475	9,784,761	9,784,761
Federal Sources	1,252,985	1,386,653	1,061,215	726,460	778,371	791,250	795,366	815,315	778,493	762,328
Total Revenue	69,051,224	67,717,167	64,378,078	61,100,980	59,814,445	57,832,306	55,611,662	54,648,547	53,501,273	42,313,385
Expenditures:										
Current Expense:										
Instruction	27,073,335	24,790,332	24,017,568	23,519,502	23,736,336	23,230,051	21,328,653	20,402,607	19,620,788	19,197,583
Undistributed Expenditures	40,450,671	38,644,173	34,125,403	33,070,857	32,652,698	30,720,622	30,561,968	28,704,036	28,158,781	28,064,179
Capital Outlay	1,850,843	2,034,715	1,676,915	1,999,586	2,600,850	1,973,130	1,608,321	4,281,132	3,493,388	1,707,668
Special Schools	131,257	90,686	62,959	110,348	67,641	58,570	86,003	74,267	71,712	58,490
Debt Service	2,125,500	2,216,000	2,308,250	2,400,250	2,386,650	2,421,850	2,424,650	2,615,076	3,329,512	3,394,113
Total Expenditures	71,631,606	67,775,906	62,191,095	61,100,543	61,444,175	58,404,223	56,009,595	56,077,118	54,674,181	52,422,033
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,580,382)	(58,739)	2,186,983	437	(1,629,730)	(571,917)	(397,933)	(1,428,571)	(1,172,908)	(10,108,648)
Other Financing Sources/(Uses):										
Cancellation of Accounts Payable	-	-	70,615	-	-	-	-	-	-	-
Transfer to Charter Schools	-	-	-	-	-	-	-	-	(11,840)	(22,394)
Lease Purchase Proceeds	-	-	-	-	-	-	-	-	-	1,200,000
Financed Purchases (Nonbudget)	735,000	435,000	380,000	775,000	1,125,000	650,000	570,000	2,985,968	752,177	321,208
Total Other Financing Sources/(Uses)	735,000	435,000	450,615	775,000	1,125,000	650,000	570,000	2,985,968	740,337	1,498,814
Net Change in Fund Balances	\$ (1,845,382)	\$ 376,261	\$ 2,637,598	\$ 775,437	\$ (504,730)	\$ 78,083	\$ 172,067	\$ 1,557,397	\$ (432,571)	\$ (8,609,834)
Debt Service as a Percentage of Noncapital Expenditures	3.0%	3.4%	3.8%	4.1%	4.1%	4.3%	4.5%	5.0%	6.5%	6.7%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>TUITION</u>	<u>TRANSPORTATION AGREEMENTS</u>	<u>INTEREST ON INVESTMENTS</u>	<u>RENTS</u>	<u>PRIOR YEAR REFUNDS</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
2023	\$ 89,708	\$ 164,081	\$ -	\$ 182,360	\$ -	\$ 568,664	1,004,813
2022	121,803	127,718	1,000	220,000	-	266,186	736,707
2021	40,592	28,511	232,875	-	-	732,915	1,034,893
2020	78,557	113,902	232,875	-	-	324,023	749,357
2019	98,141	216,467	-	-	-	526,605	841,213
2018		119,749	-	-	-	508,978	628,727
2017	98,963	56,542	29,974	-	7,332	344,122	536,933
2016	16,240	-	-	-	3,530	576,643	596,413
2015	-	-	17,948	-	-	597,275	615,223
2014	166,523	-	32,990	-	-	452,671	652,184

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2023	14,987,400	2,769,975,800	30,862,500	-	245,898,400	12,421,900	61,458,000	3,135,604,000	4,978,317	3,140,582,317	2.404	4,171,905,269
2022	20,005,400	2,715,826,300	29,376,500	1,760,700	244,812,900	12,362,700	54,658,000	3,078,802,500	5,420,307	3,084,222,807	2.365	3,046,487,501
2021	26,874,700	2,675,055,000	30,007,200	1,793,600	245,540,900	12,362,700	54,658,000	3,78,479,607	5,630,808	384,110,415	2.355	3,046,487,501
2020	16,868,100	2,675,055,000	31,574,400	1,910,800	247,922,900	12,772,700	54,658,000	3,040,761,900	5,725,601	3,046,487,501	2.341	3,038,010,579
2019	18,157,900	2,660,960,100	33,994,900	1,957,800	249,062,300	13,323,100	54,658,000	3,032,114,100	5,896,479	3,038,010,579	2.300	3,027,058,244
2018	19,058,600	2,645,137,300	34,515,900	1,963,500	249,161,500	16,099,700	55,530,100	3,021,466,600	5,591,644	3,027,058,244	2.253	3,008,189,389
2017	18,152,400	2,628,474,600	35,211,000	2,544,000	249,120,600	16,368,800	52,814,900	3,002,686,300	5,503,089	3,008,189,389	2.226	3,128,816,643
2016	20,976,500	2,603,839,000	36,682,600	2,167,100	249,910,900	16,368,800	49,704,300	2,979,649,200	5,450,433	2,985,099,633	2.205	2,972,790,205
2015	22,987,200	2,580,361,200	38,040,700	2,341,800	256,944,800	16,368,800	50,204,300	2,967,248,800	5,541,405	2,972,790,205	2.170	3,145,328,147
2014	25,778,700	2,565,183,800	39,418,600	2,283,700	260,207,300	16,368,800	56,132,200	2,965,373,100	5,480,053	2,970,853,153	2.109	

Source: Burlington County Abstract of Rates

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP MEDFORD TOWNSHIP	BURLINGTON COUNTY	OPEN SPACE		
2023	1.509	0.863	2.372	0.416	0.474	0.024	3.286	
2022	1.600	0.765	2.365	0.416	0.445	0.024	3.250	
2021	1.570	0.785	2.355	0.406	0.447	0.024	3.232	
2020	1.569	0.772	2.341	0.405	0.442	0.024	3.212	
2019	1.539	0.761	2.300	0.405	0.441	0.023	3.169	
2018	1.511	0.742	2.253	0.406	0.442	0.024	3.125	
2017	1.488	0.738	2.226	0.406	0.446	0.024	3.102	
2016	1.465	0.740	2.205	0.410	0.447	0.030	3.092	
2015	1.450	0.720	2.170	0.411	0.435	0.030	3.046	
2014	1.422	0.687	2.109	0.411	0.403	0.030	2.953	
2013	1.374	0.646	2.020	0.412	0.395	0.029	2.856	

Source: Municipal Tax Collector

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2022		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
The Estaugh	\$ 26,441,000		19.39%
Medford Associates, LP	16,927,900		12.41%
Sharps Run, LLC	15,464,900		11.34%
New Albany Partners, LP	11,322,000		8.30%
Depetris Family, LLC	10,369,200		7.60%
Medford Supermarkey Properties, LLC	9,151,500		6.71%
Medford Convalescent & Nursing Center	8,010,500		5.87%
Medford CPG, LLC	6,853,400		5.03%
Autumn Park Urban Renewal, LLC	6,800,000		4.99%
Medford Shopping Center, LLC	5,900,000		4.33%
Total	<u>\$ 117,240,400</u>		<u>85.98%</u>

TAXPAYER	2014		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
The Estaugh	\$ 18,651,500		1.05%
Wharton Hardware	8,480,000		0.48%
Medford Associates, LLP	7,156,500		0.40%
Medford Supermarket Properties	5,250,000		0.29%
Medford Convalescent & Nursing Center	5,019,600		0.28%
Haynes Run Apartments	4,507,000		0.25%
Medford Investors Associates	4,100,000		0.23%
Medford Medical Group	4,042,000		0.23%
Depetris Family LTD Partnership	3,331,600		0.19%
Medford Center Asc.	3,100,000		0.17%
Total	<u>\$ 63,638,200</u>		<u>3.57%</u>

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2023	\$ 49,345,134	\$ 49,345,134	100.00%
2022	48,088,859	48,088,859	100.00%
2021	47,799,190	47,799,190	100.00%
2020	46,754,849	46,754,849	100.00%
2019	45,751,539	45,751,539	100.00%
2018	44,745,931	44,745,931	100.00%
2017	43,110,124	43,110,124	100.00%
2016	42,235,486	42,235,486	100.00%
2015	40,898,852	40,898,852	100.00%
2014	39,765,957	39,765,957	100.00%

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES		
2023	\$ 6,705,000	\$ 2,581,320	\$ 9,286,320	N/A
2022	8,410,000	2,688,061	11,098,061	N/A
2021	10,120,000	3,081,962	13,201,962	N/A
2020	11,855,000	3,547,367	15,402,367	N/A
2019	13,595,000	3,644,592	17,239,592	737
2018	15,255,000	3,623,306	18,878,306	808
2017	16,885,000	3,902,378	20,787,378	897
2016	18,455,000	4,126,119	22,581,119	969
2015	20,525,000	2,037,548	22,562,548	958
2014	24,815,000	1,963,953	26,778,953	1154

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2023	6,705,000	-	6,705,000	0.22%	N/A
2022	8,410,000	-	8,410,000	0.33%	N/A
2021	10,120,000	-	10,120,000	0.33%	N/A
2020	11,855,000	-	11,855,000	0.45%	N/A
2019	13,595,000	-	13,595,000	0.45%	581
2018	13,595,000	-	13,595,000	0.51%	653
2017	15,255,000	-	15,255,000	0.50%	728
2016	16,885,000	-	16,885,000	0.56%	792
2015	18,455,000	-	18,455,000	0.00%	883
2014	20,525,000	-	20,525,000	0.69%	1,069

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Lenape Regional High School	\$ 90,498,000	17.72%	\$ 16,036,246
Medford Township	38,352,421	100%	38,352,421
Burlington County	161,356,421	6.93%	11,175,611
Subtotal, Overlapping Debt			65,564,278
Medford Township Public School District Debt			6,705,000
Total Direct & Overlapping Debt			\$ 72,269,278

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 112,967,744	\$ 102,782,723	\$ 101,190,039	\$ 100,212,021	\$ 91,640,643	\$ 91,097,962	\$ 94,102,446	\$ 94,102,446	\$ 94,102,466	\$ 95,326,820
Total Net Debt Applicable to Limit	6,705,000	8,410,000	10,120,000	11,855,000	13,595,000	15,255,000	16,885,000	18,453,000	20,235,000	24,815,000
Legal Debt Margin	\$ 106,262,744	\$ 94,372,723	\$ 91,070,039	\$ 88,357,021	\$ 78,045,643	\$ 75,842,962	\$ 77,217,446	\$ 75,649,446	\$ 73,867,466	\$ 70,511,820
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (3.0%)	0.178%	0.215%	0.215%	0.355%	0.445%	0.502%	0.538%	0.588%	#DIV/0!	0.781%

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized Valuation Basis	
2023	\$ 4,171,905,269
2022	3,643,122,116
2021	3,481,747,010
	<u>\$ 11,296,774,395</u>
	<u>\$ 3,765,591,465</u>
	<u>\$ 112,967,744</u>
	<u>\$ 6,705,000</u>
	<u>\$ 106,262,744</u>

Average Equalized Valuation of Taxable Property

Debt Limit (3 % of Average Equalization Value)
 Net Bonded School Debt

Legal Debt Margin

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	BURLINGTON COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2023	N/A	N/A	N/A	N/A
2022	24,603	N/A	N/A	2.6%
2021	24,461	1,699,941,656	69,496	N/A
2020	23,383	1,570,261,982	67,154	N/A
2019	23,421	1,487,889,288	63,528	N/A
2018	23,342	1,427,129,880	61,140	4.5%
2017	23,297	1,380,836,487	59,271	4.5%
2016	23,307	1,342,086,981	57,583	4.5%
2015	23,248	1,300,144,400	55,925	6.0%
2014	23,211	1,243,459,692	53,572	5.1%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita Personal Income provided by the NJ Dept. of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development
- N/A - Information not available

PRINCIPAL EMPLOYERS

2023
EMPLOYEES

Not Available

Total

-

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	177	177	177	181	187	193	185	178	167	156
Special Education	67	66	67	61	63	60	62	53	47	46
Other Special Education	35	38	23	26	26	30	26	27	34	34
Support Services:										
School Administrative Services	25	25	48	35	27	33	33	30	29	29
General & Business Administrative Services	12	12	12	13	12	10	10	10	7	7
Plant Operations & Maintenance	34	34	34	31	29	29	29	31	23	22
Pupil Transportation	57	57	57	56	59	52	56	55	55	51
Business & Other Support Services	10	10	5	5	5	5	5	5	14	14
Total	417	419	423	408	408	412	406	389	376	359

Source: District Personnel Records

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE				
2023	2,727	\$ 67,655,077	24,809	0.0045%	225	1:11	1:11	2,675	2,533	7.09%	92.89%
2022	2,620	63,837,916	24,366	0.0051%	224	1:11	1:11	2,598	2,453	-2.29%	93.63%
2021	2,496	58,603,866	23,479	0.0061%	232	1:11	1:11	2,498	2,418	-6.20%	96.88%
2020	2,654	57,799,596	21,778	0.0055%	216	1:12	1:11	2,659	2,579	-1.88%	97.17%
2019	2,659	52,260,898	19,654	0.0055%	224	1:12	1:11	2,663	2,559	-2.56%	96.24%
2018	2,719	54,009,243	19,864	0.0061%	227	1:12	1:11	2,710	2,596	-0.88%	95.48%
2017	2,741	51,976,624	18,963	0.0062%	227	1:12	1:11	2,733	2,625	-0.11%	95.77%
2016	2,734	49,180,910	17,989	0.0060%	227	1:12	1:11	2,734	2,630	-1.19%	96.20%
2015	2,736	47,851,281	17,490	0.0058%	243	1:11	1:12	2,736	2,632	-1.12%	96.20%
2014	2,767	47,851,281	17,294	0.0070%	236	1:11	1:14	2,767	2,666	-5.76%	96.35%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DISTRICT BUILDINGS										
Elementary Schools:										
Chairville School (2004):										
Square Feet	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
Capacity (Students)	500	500	500	500	500	500	500	500	500	500
Enrollment	406	380	359	358	344	344	364	392	423	463
Cranberry Pines School (1979):										
Square Feet	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231
Capacity (Students)	479	479	479	479	479	479	479	479	479	479
Enrollment (a)	376	390	365	391	399	406	382	373	340	355
Kirby's Mill School (2004):										
Square Feet	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Capacity (Students)	515	515	515	515	515	515	515	515	515	515
Enrollment	379	345	300	340	370	357	331	332	324	327
Milton Allen School (1926):										
Square Feet	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396
Capacity (Students)	486	486	486	486	486	486	486	486	486	486
Enrollment	405	353	339	348	334	317	337	345	362	376
Taunton Forge School (1975):										
Square Feet	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772
Capacity (Students)	447	447	447	447	447	447	447	447	447	447
Enrollment	287	271	251	277	289	275	291	283	310	310
Middle School:										
Haimes 6th Grade Center (1960):										
Square Feet	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363
Capacity (Students)	461	461	461	461	461	461	461	461	461	461
Enrollment	289	286	282	316	280	324	319	357	320	350
Memorial Middle School (1968):										
Square Feet	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750
Capacity (Students)	1131	1131	1131	1131	1131	1131	1131	1131	1131	1131
Enrollment	585	595	600	635	674	696	712	670	725	749
Other Buildings:										
Transportation Center (2003):										
Square Feet	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400
Warehouse: Old Bus Garage (1946):										
Square Feet	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420

Number of Schools at June 30, 2023:
 Elementary = 5
 Middle School = 1
 Sixth Grade Center = 1
 Other = 2

Source: District Facilities Office
 Note: Year of original construction is shown in parentheses.
 Enrollment is based on the annual October District count.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	CHAIRVILLE SCHOOL	CRANBERRY PINES SCHOOL	HAINES 6TH GRADE CENTER	KIRBY'S MILL SCHOOL	MEMORIAL MIDDLE SCHOOL	MILTON ALLEN SCHOOL	TAUNTON FORGE SCHOOL	TOTAL
2023	\$ 162,098	\$ 130,943	\$ 156,495	\$ 159,797	\$ 172,204	\$ 186,571	\$ 181,128	\$ 1,149,236
2022	200,877	129,820	146,382	121,574	183,097	161,412	178,236	1,121,398
2021	118,769	119,848	126,194	121,957	161,883	127,146	117,528	893,325
2020	91,690	105,049	106,686	129,402	225,886	162,911	99,412	921,036
2019	132,341	126,633	152,289	122,361	168,734	152,800	117,696	972,854
2018	108,481	141,352	104,014	114,814	145,097	101,704	108,276	823,738
2017	98,768	137,433	119,718	108,538	195,647	115,693	130,482	906,279
2016	104,052	139,720	114,394	91,341	316,778	136,507	109,642	1,012,434
2015	69,036	108,099	103,178	69,714	230,406	118,879	116,181	815,493
2014	50,093	82,107	94,435	88,311	241,904	96,665	98,182	751,696

Source: District records

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023

	COVERAGE	DEDUCTIBLE
Burlington County Insurance Pool, Joint Insurance Fund (BCIPJIF):		
Property / Inland Marine / Automobile Physical Damages (per occurrence)	\$ 250,000	\$ 500
General Liability / Auto Liability	250,000	
Educators Legal Liability	250,000	
Workers Compensation-Self Insured Retention	250,000	
Crime- Self insured Retention	250,000	500
School Pool For Excess Liability Limits **		
Property / Inland Marine / Automobile Physical Damages (per occurrence)	174,749,500	
Crime	500,000	
Workers Compensation	Statutory	
Employers Liability	1,000,000	
General Liability / Auto Liability	20,000,000	
Educators' Legal Liability	20,000,000	
Travelers Insurance Company		
Boiler and Machinery	125,000,000	1,000
AIG / Commerce and Industry Insurance company		
Pollution Legal Liability	3,000,000	25,000
AIG / Lexington Insurance Company, Inc.		
Cyber Liability	2,000,000	50,000
Selective Insurance Company of America:		
Surety - Treasurer of Monies	325,000	
Surety - Board Secretary	250,000	
<u>Excess and Reinsurance Carriers Involved **</u>		
Property and Crime	SPELLJIF, Great American Insurance Company Axis Surplus Insurance Company Westchester Fire Insurance Company Alterra Excess & Surplus Insurance Company Ironshore Specialty Insurance Company Steadfast Insurance Company Starr Indemnity & Liability Company (Cyber) Beazley/Lloyd's of London (Pollution) RSUI Indemnity Company James River Insurance Company BRIT / Lloyd's of London Arch Specialty Insurance Company	
General Liability and Automobile Liability	SPELLJIF, Great American Insurance Company	
Workers Compensation	SPELLJIF, Great American Insurance Company, Safety National Casualty Company	
Educator Legal Liability	SPELLJIF, Great American Insurance Company, General Reinsurance Corp.	

This page intentionally left blank.

SINGLE AUDIT SECTION

This page intentionally left blank.



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Medford Township Public School District (the “School District”) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated January 17, 2024.

Internal Control Over Financial Reporting

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

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

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

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 17, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards 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 School District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

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

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

Report on Internal Control Over Compliance

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

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

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 17, 2024

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING PROGRAM NUMBER	FAN NUMBER	GRANT OR STATE PROJECT NUMBER	PROGRAM AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2023	UNEARNED REVENUE AT JUNE 30, 2023	DUETO GRANTOR AT JUNE 30, 2023
U.S. Department of Agriculture														
Passed Through New Jersey Department of Agriculture:														
Child Nutrition Cluster:														
Food Distribution Program (Noncash Assistance)	10.555	22N304N1099	Unavailable	\$ 65,281	7/1/21-6/30/22	\$ 2,803	\$ -	\$ (2,803)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food Distribution Program (Noncash Assistance)	10.555	23N304N1099	Unavailable	67,520	7/1/22-6/30/23	-	67,520	(62,349)	-	-	-	-	5,171	-
National School Lunch Program	10.555	23N304N1099	100-010-33-50-026	199,483	7/1/22-6/30/23	-	188,057	(199,483)	-	-	-	(11,426)	-	-
COVID-19 Seamless Summer Option	10.555	22N304N1099	100-010-33-50-098	1,246,337	7/1/21-6/30/22	(257,890)	257,890	-	-	-	-	-	-	-
COVID-19 National School Breakfast Program	10.553	22N304N1099	100-010-33-50-026	3,455	7/1/21-6/30/22	(193)	193	-	-	-	-	-	-	-
COVID-19 Supply Chain Assistance Grant	10.555	23N304N1099	100-010-33-50-118	129,791	7/1/22-6/30/23	-	129,791	(129,791)	-	-	-	-	-	-
Total Child Nutrition Cluster														
				\$ 255,280		\$ 643,451	\$ (394,426)	\$ -	\$ -	\$ -	\$ -	\$ (11,426)	\$ 5,171	\$ -
Total U.S. Department of Agriculture														
U.S. Department of Health and Human Services														
Passed Through New Jersey Department of Human Services:														
Medical Assistance Program (SEMI) - Cluster														
Medical Assistance Program (SEMI) - Cluster	93.778	2305NMAP	100-054-75-00-211	23,721	7/1/21-6/30/22	(2,187)	2,187	-	-	-	-	-	-	-
Medical Assistance Program (SEMI) - Cluster	93.778	2305NMAP	100-054-75-00-211	9,831	7/1/22-6/30/23	-	9,831	(9,831)	-	-	-	-	-	-
Medical Assistance Program (SEMI) - Cluster	93.778	2305NMAP	100-054-75-00-211	10,326	1/1/22-12/31/22	-	10,326	(10,326)	-	-	-	-	-	-
Total U.S. Department of Health and Human Services														
				\$ 23,721		\$ (2,187)	\$ 23,721	\$ (20,157)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Department of Education														
Passed Through New Jersey Department of Education:														
Title I - Part A														
Title I - Part A	84.010	S010A220030	100-034-50-064-194	57,764	7/1/22-9/30/23	(25,827)	42,228	(53,009)	-	-	-	(10,781)	-	-
Title I - Part A	84.010	S010A220030	100-034-50-064-194	65,130	7/1/21-9/30/22	(25,827)	25,827	-	-	-	-	(10,781)	-	-
Subtotal														
				\$ 112,894		\$ (51,654)	\$ 68,055	\$ (53,009)	\$ -	\$ -	\$ -	\$ (21,562)	\$ -	\$ -
Title IIIA - Part A														
Title IIIA - Part A	84.367A	S367A220029	100-034-50-063-290	33,058	7/1/22-9/30/23	-	2,475	(4,982)	-	-	-	(2,507)	-	-
Subtotal														
				\$ 33,058		\$ -	\$ 2,475	\$ (4,982)	\$ -	\$ -	\$ -	\$ (2,507)	\$ -	\$ -
Title III - English Language Acquisition														
Title III - English Language Acquisition	84.365A	S365A210069	100-034-50-064-187	3,594	7/1/21-9/30/22	(3,594)	-	-	-	3,594	-	-	-	-
Title III - English Language Acquisition	84.365A	S365A210069	100-034-50-064-187	3,943	7/1/20-9/30/21	(3,695)	-	-	-	3,695	-	-	-	-
Title III - English Language Acquisition	84.365A	S365A190009	100-034-50-064-187	1,822	7/1/19-9/30/20	(1,822)	-	-	-	1,822	-	-	-	-
Subtotal														
				\$ 9,360		\$ (9,311)	\$ -	\$ -	\$ -	\$ 9,111	\$ -	\$ -	\$ -	\$ -
Title IV - Part A														
Title IV - Part A	84.424A	S42A220031	100-034-50-063-348	10,000	7/1/22-9/30/23	(791)	423	(979)	-	-	-	(979)	-	-
Title IV - Part A	84.424A	S42A210031	100-034-50-063-348	10,000	7/1/21-9/30/22	(791)	423	(979)	-	-	-	(3,688)	-	-
Subtotal														
				\$ 20,000		\$ (1,582)	\$ 846	\$ (1,958)	\$ -	\$ -	\$ -	\$ (4,667)	\$ -	\$ -
Special Education Cluster:														
ID.E.A. Part B, Basic Regular	84.027A	H027A220100	100-034-50-065-016	640,959	7/1/22-9/30/23	-	613,618	(638,132)	-	-	-	(24,514)	-	-
ID.E.A. Part B, Basic Regular	84.027A	H027A210100	100-034-50-065-016	595,276	7/1/21-9/30/22	(27,000)	27,000	-	-	-	-	(24,514)	-	-
Subtotal														
				\$ 1,236,235		\$ (27,000)	\$ 640,618	\$ (638,132)	\$ -	\$ -	\$ -	\$ (48,928)	\$ -	\$ -
ID.E.A. Preschool														
ID.E.A. Preschool	84.173	H173A220114	100-034-50-065-020	37,406	7/1/22-9/30/23	-	8,457	(26,344)	-	-	-	(2,887)	-	-
Subtotal														
				\$ 37,406		\$ -	\$ 8,457	\$ (26,344)	\$ -	\$ -	\$ -	\$ (2,887)	\$ -	\$ -
ID.E.A. Part B, Basic ARP														
ID.E.A. Part B, Basic ARP	84.027X	H027X210100	100-034-50-065-094	119,804	7/1/21-9/30/22	-	25,004	(27,527)	-	-	-	(2,523)	-	-
Subtotal														
				\$ 119,804		\$ -	\$ 25,004	\$ (27,527)	\$ -	\$ -	\$ -	\$ (2,523)	\$ -	\$ -
Total Special Education Cluster														
				\$ 1,356,040		\$ (27,000)	\$ 674,079	\$ (692,003)	\$ -	\$ -	\$ -	\$ (54,451)	\$ -	\$ -
Education Stabilization Funds:														
COVID-19 ARP ESSER III	84.425U	S425U210027	100-034-51-20-523	560,471	3/13/20-9/30/24	(86,815)	292,419	(399,528)	-	-	-	(93,924)	-	-
COVID-19 ARP ESSER III - Accelerated Learning	84.425U	S425U210027	100-034-51-20-523	214,425	3/13/20-9/30/24	-	37,010	(37,010)	-	-	-	-	-	-
COVID-19 ARP - NJSS Mental Health	84.425U	S425U210027	100-034-51-20-523	45,000	3/13/20-9/30/24	(43,924)	44,998	(1,074)	-	-	-	-	-	-
Subtotal														
				\$ 820,896		\$ (130,739)	\$ 374,427	\$ (437,612)	\$ -	\$ -	\$ -	\$ (93,924)	\$ -	\$ -
COVID-19 CRRSA - ESSER II - Accelerated Learning														
COVID-19 CRRSA - ESSER II - Mental Health	84.425D	S425D200027	100-034-51-20-518	25,000	3/13/20-9/30/23	(5,440)	4,683	(4,683)	-	-	-	(8,401)	-	-
COVID-19 CRRSA - ESSER II - Mental Health	84.425D	S425D200027	100-034-51-20-518	45,000	3/13/20-9/30/23	(3,440)	36,599	(39,560)	-	-	-	(8,401)	-	-
Subtotal														
				\$ 70,000		\$ (8,880)	\$ 41,282	\$ (44,243)	\$ -	\$ -	\$ -	\$ (16,802)	\$ -	\$ -
Total Education Stabilization Funds														
				\$ 920,896		\$ (139,619)	\$ 415,709	\$ (481,855)	\$ -	\$ 9,111	\$ -	\$ (110,726)	\$ -	\$ -
Total U.S. Department of Education														
				\$ 1,826,536		\$ (456,375)	\$ 1,826,536	\$ (1,647,411)	\$ -	\$ 9,111	\$ -	\$ (273,310)	\$ 5,171	\$ -
Total Expenditures of Federal Awards														

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 3. Relationship to Basic Financial Statements (continued):

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$11,188 for the general fund and \$138,052 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 20,157	\$ 16,830,414	\$ 16,850,571
Special Revenue Fund	1,232,828	344,394	1,577,222
Food Service Fund	394,426	11,099	405,525
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,647,411</u>	<u>\$ 17,185,907</u>	<u>\$ 18,833,318</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Medford Township Public School District had no loan balances outstanding at June 30, 2023.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$750,000 _____

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

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? _____ yes _____ X _____ no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? _____ yes _____ X _____ no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

	State Aid - Public:
495-034-5120-078	Equalization Aid
495-034-5120-084	Categorical Security Aid
495-034-5120-089	Categorical Special Education Aid

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings- N/A

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE – N/A

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

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.