

**WOOD-RIDGE BOARD OF EDUCATION  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**WOOD-RIDGE, NEW JERSEY**

**COMPREHENSIVE ANNUAL**

**FINANCIAL REPORT**

**of the**

**Wood-Ridge Board of Education**

**Wood-Ridge, New Jersey**

**For The Fiscal Year Ended June 30, 2019**

**Prepared by**

**Business Office**

**WOOD-RIDGE BOARD OF EDUCATION  
TABLE OF CONTENTS**

**Page**

**INTRODUCTORY SECTION**

Letter of Transmittal	i-iv
Organizational Chart	v
Roster of Officials	vi
Consultants and Advisors	vii

**FINANCIAL SECTION**

Independent Auditor's Report	1-3
------------------------------	-----

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis	4-13
--------------------------------------	------

**Basic Financial Statements**

**A. District-wide Financial Statements**

A-1 Statement of Net Position	14
A-2 Statement of Activities	15

**B. Fund Financial Statements**

*Governmental Funds*

B-1 Balance Sheet	16
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	17
B-3 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances with the District-Wide Statements	18

*Proprietary Funds*

B-4 Statement of Net Position	19
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	20
B-6 Statement of Cash Flows	21

*Fiduciary Funds*

B-7 Statement of Fiduciary Net Position	22
B-8 Statement of Changes in Fiduciary Net Position	23

Notes to the Financial Statements	24-63
-----------------------------------	-------

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**C. Budgetary Comparison Schedules**

C-1 Budgetary Comparison Schedule – General Fund	64-68
C-2 Budgetary Comparison Schedule – Special Revenue Fund	69
C-3 Budgetary Comparison Schedule – Notes to Required Supplementary Information	70

**WOOD-RIDGE BOARD OF EDUCATION  
TABLE OF CONTENTS**

		<u>Page</u>
<b>REQUIRED SUPPLEMENTARY INFORMATION - PART III</b>		
<b>L.</b>	<b>Schedules Related to Accounting and Reporting for Pensions and OPEB (GASB Nos. 68 and 75)</b>	
L-1	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System	71
L-2	Required Supplementary Information – Schedule of District Contributions – Public Employees Retirement System	72
L-3	Required Supplementary Information – Schedule of the District’s Proportionate Share of the Net Pension Liability – Teachers Pension and Annuity Fund	73
L-4	Notes to Required Supplementary Information – Net Pension Liability	74
L-5	Required Supplementary Information – Schedule of Changes in the District’s Proportionate Share of Total OPEB Liability	75
L-6	Notes to Required Supplementary Information – OPEB Liability	76
<b>D.</b>	<b>School Level Schedules (Not Applicable)</b>	
<b>E.</b>	<b>Special Revenue Fund</b>	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund – Budgetary Basis	77
<b>F.</b>	<b>Capital Projects Fund</b>	
F-1	Summary Schedule of Project Expenditures	78
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	79
F-2a-	Schedule of Project Revenues, Expenditures, Project Balances and Project Status –	
F-2l	Budgetary Basis	80-91
<b>G.</b>	<b>Proprietary Funds</b>	
	<i>Enterprise Fund</i>	
G-1	Combining Schedule of Net Position – Not Applicable	92
G-2	Combining Schedule of Revenues, Expenses and Changes in Net Position – Not Applicable	92
G-3	Combining Schedule of Cash Flows – Not Applicable	92
<b>H.</b>	<b>Fiduciary Funds/Agency Funds</b>	
H-1	Combining Statement of Agency Assets and Liabilities	93
H-2	Combining Statement of Changes in Fiduciary Net Position – Not Applicable	94
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	95
H-4	Payroll Agency Fund Statement of Receipts and Disbursements	95
<b>I.</b>	<b>Long-Term Debt</b>	
I-1	Schedule of Bonds Payable	96
I-2	Schedule of Obligations under Capital Leases	97
I-3	Debt Service Fund Budgetary Comparison Schedule	98

**WOOD-RIDGE BOARD OF EDUCATION  
TABLE OF CONTENTS**

**Page**

**J. STATISTICAL SECTION (Unaudited)**

J-1	Net Position by Component	99
J-2	Changes in Net Position	100-101
J-3	Fund Balances – Governmental Funds	102
J-4	Changes in Fund Balances - Governmental Funds	103
J-5	General Fund Other Local Revenue by Source	104
J-6	Assessed Value and Actual Value of Taxable Property	105
J-7	Property Tax Rates	106
J-8	Principal Property Taxpayers	107
J-9	Property Tax Levies and Collections	108
J-10	Ratios of Outstanding Debt by Type	109
J-11	Ratios of Net General Bonded Debt Outstanding	110
J-12	Computation of Direct and Overlapping Outstanding Bonded Debt	111
J-13	Legal Debt Margin Information	112
J-14	Demographic Statistics	113
J-15	Principal Employers	114
J-16	Full-Time Equivalent District Employees by Function/Program	115
J-17	Operating Statistics	116
J-18	School Building Information	117
J-19	Schedule of Required Maintenance for School Facilities	118
J-20	Insurance Schedule	119

**K. SINGLE AUDIT SECTION**

K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	120-121
K-2	Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of State Financial Assistance as Required by New Jersey OMB Circular 15-08 – Independent Auditor’s Report	122-124
K-3	Schedule of Expenditures of Federal Awards	125
K-4	Schedule of Expenditures of State Financial Assistance	126-127
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	128-129
K-6	Schedule of Findings and Questioned Costs – Part 1 – Summary of Auditor’s Results	130-131
K-7	Schedule of Findings and Questioned Costs – Part 2 – Schedule of Financial Statement Findings	132
K-7	Schedule of Findings and Questioned Costs – Part 3 – Schedule of Federal and State Award Findings and Questioned Costs	133
K-8	Summary Schedule of Prior Year Findings	134

## **INTRODUCTORY SECTION**

**WOOD-RIDGE PUBLIC SCHOOLS  
540 WINDSOR ROAD  
WOOD-RIDGE, NEW JERSEY 07075**

*Nicholas Cipriano  
Superintendent of Schools*

201-933-6777

November 12, 2019

The Honorable President and Members of the Board of Education  
Wood-Ridge Board of Education  
Wood-Ridge, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Wood-Ridge Board of Education (the "Board") for the fiscal year ended June 30, 2019 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of officials and a list of consultants and advisors. The financial section includes the Independent Auditors' Report, the Management's Discussion and Analysis, and basic financial statements including the district-wide financial statements presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB). The basic financial statements also include fund financial statements, notes to financial statements and Required Supplementary Information (RSI). The statistical section includes selected economic and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of New Jersey OMB's Circular 15-08. Information related to this single audit, including the auditors' reports on the internal control structure and compliance with applicable laws and regulations, and findings and recommendation, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:

The Wood-Ridge Board of Education is an independent reporting entity. All funds of the District are included in this report. The Wood-Ridge Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12 for the students residing in the Borough of Wood-Ridge. These include regular, vocational as well as special education for handicapped children. The District completed the 2018-2019 fiscal year with an enrollment of **1,211** students, a decrease of **9** students over the previous year's enrollment.

## 2) ECONOMIC CONDITION AND OUTLOOK:

The Wood-Ridge area is experiencing normal growth and expansion consistent with surrounding areas. The student population remains consistent with the previous year. The state unemployment rate for 2018 is reported at 6.5%, (4.00%) as reported by the US Bureau of Labor Statistics.

## 3) MAJOR INITIATIVES:

The Wood-Ridge School District has a long tradition of excellence in the classroom as well as on the athletic field and in co-curricular activities. The three schools that make up our District serve students in grades Pre-k through 12. As we continue to ensure that we meet the expectations of our 21<sup>st</sup> century community, the District is transforming education through the use of technology, partnerships with institutes of higher education and community service learning.

- The Doyle & Intermediate Schools operate on an 8-period day; the Jr/Sr High School uses a rotating block schedule. Programs offered for students include integrated classes, self-contained classes and regular education classes.
- The Jr/Sr High School has participated in Middle College Program and Advanced Placement course options; students at the Intermediate School who are identified as high performing are placed in advanced math & language arts classes; Doyle School students are utilizing Tools of Mind in pre-k & kindergarten; Readers & Writers workshop model is used in all literacy instruction.
- All students meet the state requirement for physical education meeting times. The Physical Education curriculum has been updated to represent a curriculum that supports long-term healthy lifestyle choices. In addition, the Physical Education curriculum has moved away from team-centered games and toward exercise fitness and well-being. Additionally, students are taught nutrition and food choices in the health classroom.
- Almost 40% of our student body participates in athletics. Our teams are regular qualifiers for the State and County Tournaments. Our numbers are increasing with participation. The addition of freshman level teams was added.
- Doyle School offers a Citizenship Club; the Intermediate School & the Jr/Sr High School both offer a variety of extra-curricular clubs including Art, Drama, STEM, Student Council, Safety Patrol, Journalism, Band, Chess, Debate, Environments, Honor Societies, School Play/Musical, Teen Institute, Heroes & Cool Kids and yearbook.
- Two fully-staffed Child Study Teams serve the district's schools for special education students in designated grades both in and out of district. Services offered include: occupational therapy, physical therapy, speech therapy, counseling & in-home services.
- Extended school day and extended school year programs are offered at all three schools; Before Care & After Care programs are offered at the Doyle School & Intermediate School. After school help is available at all schools. Title I funded after school programs are offered from January – May. Mad Science programs are offered at the Doyle School & Intermediate School.
- Technology continues to be increased Districtwide; All schools have Wi-Fi throughout the buildings.
- A School Emergency Crisis plan has been updated & included school safety drills & safety team. Security cameras have been installed throughout all buildings.
- The District has successfully passed all five domains of QSAC.

## 4) INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the



cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

#### 5) BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assigned fund balance at June 30, 2019.

#### 6) ACCOUNTING SYSTEM AND REPORTS:

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

#### 7) CASH MANAGEMENT:

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

#### 8) RISK MANAGEMENT:

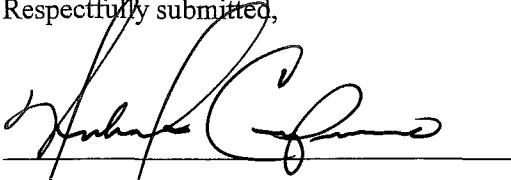
The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

#### 9) OTHER INFORMATION:

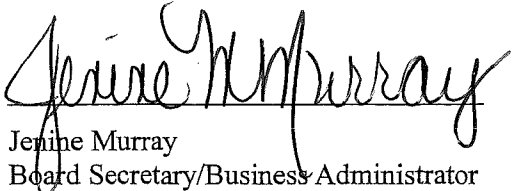
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Higgins, LLP, was selected by the Board of Trustees. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the State Treasury OMB Circular 15-08. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

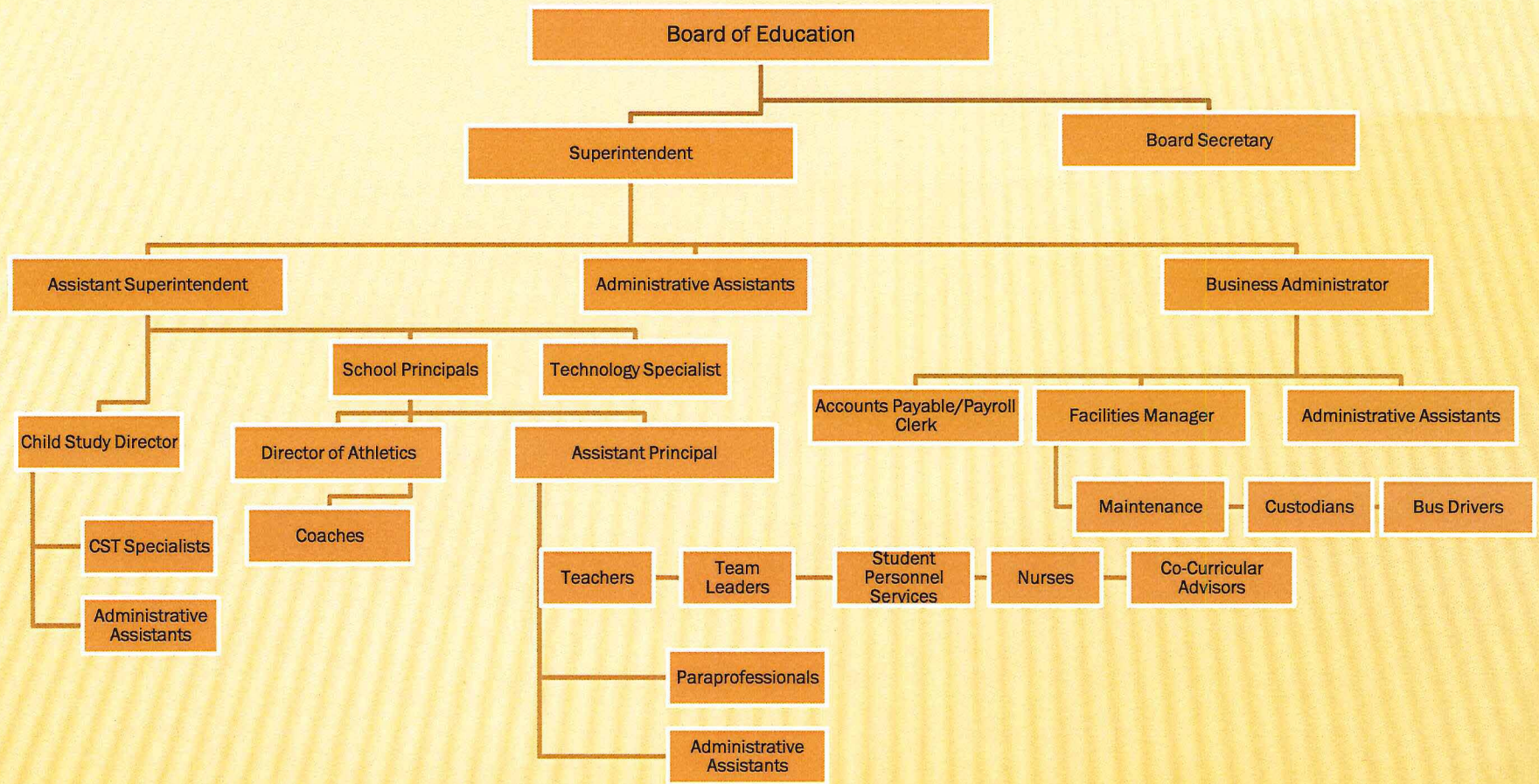


Nicholas Capriano  
Superintendent of Schools



Jenine Murray  
Board Secretary/Business Administrator

# WOOD-RIDGE SCHOOL DISTRICT ORGANIZATIONAL CHART 2018-2019



**WOOD-RIDGE BOARD OF EDUCATION**

**ROSTER OF OFFICIALS  
JUNE 30, 2019**

**MEMBERS OF THE BOARD OF EDUCATION**

	<b><u>Term Expires December 31<sup>st</sup></u></b>
Albert Nieves, President	2021
Joseph Biamonte Jr., Vice President	2019
Patrick Ambrosio	2020
Christopher Garvin	2019
Richard Fallon	2021
Edmond Monti (Moonachie Representative)	

**OTHER OFFICIALS**

Nicholas Cipriano, Superintendent

Jenine M. Murray, Business Administrator/Board Secretary

**WOOD-RIDGE BOARD OF EDUCATION**

**CONSULTANTS AND ADVISORS**

**JUNE 30, 2019**

**ARCHITECT**

DiCara and Rubino Architects  
30 Galesi Drive – West Wing  
Wayne, NJ 07470

**AUDIT FIRM**

Lerch, Vinci & Higgins, LLP  
17-17 Route 208  
Fair Lawn, New Jersey 07410

**ATTORNEY**

Michael J. Gross  
Kenney, Gross, Kovats and Parton  
The Courts at Red Bank  
130 Maple Avenue – Building 8  
P.O. Box 8610  
Red Bank, New Jersey 07701

**OFFICIAL DEPOSITORIES**

Spencer Savings Bank  
611 River Drive  
Elmwood Park, NJ 07407

Capital One Bank, NA  
74 Park Avenue  
Rutherford, New Jersey 07070

TD Bank  
109 Boulevard  
Hasbrouck Heights, New Jersey 07604

**INSURANCE**

Polaris/Galaxy LLC, Insurance Broker  
777 Terrace Avenue  
Hasbrouck Heights, New Jersey 07604

Brown & Brown  
80 Lambert Lane Suite 140  
Lambertville, New Jersey 08530

**BOND COUNSEL**

Wilentz, Goldman & Spitzer, P.A.  
90 Woodbridge Center Drive  
Suite 900 Box 10  
Woodbridge, New Jersey 07095

## **FINANCIAL SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
DONNA L. JAPHET, CPA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
DEBORAH K. LERCH, CPA, PSA  
RALPH M. PICONE, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
SHERYL M. LEIDIG, CPA, PSA  
ROBERT LERCH, CPA  
CHRIS SOHN, CPA

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Trustees  
Wood-Ridge Board of Education  
Wood-Ridge, New Jersey

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wood-Ridge Board of Education, as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

### *Management's Responsibility 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; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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 the 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## *Opinions*

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 Wood-Ridge Board of Education as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information be presented to supplement the basic financial statements. Such information, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wood-Ridge Board of Education's basic financial statements. The introductory section, combining fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Wood-Ridge Board of Education.

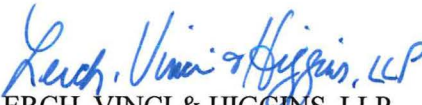
The combining fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2019 on our consideration of the Wood-Ridge Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Wood-Ridge Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Wood-Ridge Board of Education's internal control over financial reporting and compliance.

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
November 12, 2019

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

The discussion and analysis of the Wood-Ridge Board of Education's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the financial statements as well as the financial statements themselves to enhance their understanding of the District's financial performance.

**Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$7,021,523 (net position).
- Total School District's net position decreased \$699,383.
- District-Wide general revenues accounted for \$18,930,158 or 69 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$8,489,802 or 31 percent of total revenues of \$27,419,960.
- Total net position of governmental activities was \$6,911,975 as of June 30, 2019 a decrease of \$709,161 from the previous year.
- The District had \$27,675,152 in expenses related to governmental activities; only \$8,035,833 were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$18,930,158 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$23,791,752 in revenues and other financing sources, \$23,553,730 in expenditures and other financing uses. The General Fund's fund balance increased \$238,022 from the previous year to \$2,147,103 at June 30, 2019.
- The General Fund unassigned budgetary fund balance increased \$9,735 to \$528,899 at June 30, 2019.

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

**Using the Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Wood-Ridge Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

**Reporting the District as a Whole**

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2019?" The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods and services provided. The District's food service program is reported as a business-type activity.

**WOOD-RIDGE BOARD OF EDUCATION**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial statements provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. The District's Governmental Funds are the General, Special Revenue, Capital Projects and Debt Service Funds.

**Governmental Funds**

The District's activities are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end available for spending in the future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can be readily converted into cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Enterprise Fund**

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

**Notes to the Financial Statements**

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

**The District as a Whole**

The Statement of Net Position provides the perspectives of the District as a whole, showing assets, deferred outflows of resources, liabilities, deferred inflows of resources and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position.

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

The following provides a summary of the District's net position as of June 30, 2019 and 2018.

	Net Position					
	As of June 30, 2019 and 2018					
	Governmental		Business-Type		Total	
	Activities		Activities		Total	
2019	2018	2019	2018	2019	2018	
	(Restated)				(Restated)	
<b>ASSETS</b>						
Current Assets	\$ 3,649,686	\$ 3,082,169	\$ 126,749	\$ 153,118	\$ 3,776,435	\$ 3,235,287
Capital Assets	<u>21,739,417</u>	<u>22,646,324</u>	<u>14,837</u>	<u>19,224</u>	<u>21,754,254</u>	<u>22,665,548</u>
<b>Total Assets</b>	<u>25,389,103</u>	<u>25,728,493</u>	<u>141,586</u>	<u>172,342</u>	<u>25,530,689</u>	<u>25,900,835</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Amount on Refunding of Debt	95,647	118,884			95,647	118,884
Deferred Amount on Net Pension Liability	<u>1,202,272</u>	<u>1,804,783</u>	-	-	<u>1,202,272</u>	<u>1,804,783</u>
<b>Total Deferred Outflows of Resources</b>	<u>1,297,919</u>	<u>1,923,667</u>	-	-	<u>1,297,919</u>	<u>1,923,667</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>26,687,022</u>	<u>27,652,160</u>	<u>141,586</u>	<u>172,342</u>	<u>26,828,608</u>	<u>27,824,502</u>
<b>LIABILITIES</b>						
Other Liabilities	851,298	261,805	32,038	72,572	883,336	334,377
Long-Term Liabilities	<u>17,255,504</u>	<u>18,647,156</u>	-	-	<u>17,255,504</u>	<u>18,647,156</u>
<b>Total Liabilities</b>	<u>18,106,802</u>	<u>18,908,961</u>	<u>32,038</u>	<u>72,572</u>	<u>18,138,840</u>	<u>18,981,533</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Amount on Net Pension Liability	<u>1,668,245</u>	<u>1,122,063</u>	-	-	<u>1,668,245</u>	<u>1,122,063</u>
<b>Total Deferred Inflows of Resources</b>	<u>1,668,245</u>	<u>1,122,063</u>	-	-	<u>1,668,245</u>	<u>1,122,063</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>19,775,047</u>	<u>20,031,024</u>	<u>32,038</u>	<u>72,572</u>	<u>19,807,085</u>	<u>20,103,596</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	9,339,700	9,864,875	14,837	19,224	9,354,537	9,884,099
Restricted	2,396,794	2,423,270			2,396,794	2,423,270
Unrestricted	<u>(4,824,519)</u>	<u>(4,667,009)</u>	<u>94,711</u>	<u>80,546</u>	<u>(4,729,808)</u>	<u>(4,586,463)</u>
<b>Total Net Position</b>	<u>\$ 6,911,975</u>	<u>\$ 7,621,136</u>	<u>\$ 109,548</u>	<u>\$ 99,770</u>	<u>\$ 7,021,523</u>	<u>\$ 7,720,906</u>

The District's combined net position was \$7,021,523 at June 30, 2019, which was a decrease of \$699,383 or 9.06 percent from the prior year.

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

The following schedule shows changes in net position for fiscal years ended June 30, 2019 and 2018.

**Change in Net Position**  
**for the Fiscal Years Ended June 30, 2019 and 2018**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 1,831,952	\$ 1,911,034	\$ 295,491	\$ 313,367	\$ 2,127,443	\$ 2,224,401
Operating Grants and Contributions	6,199,054	7,754,867	158,478	145,056	6,357,532	7,899,923
Capital Grants and Contributions	4,827	351,942			4,827	351,942
General Revenues						
Property Taxes	18,563,995	17,668,216			18,563,995	17,668,216
Unrestricted State Aid	95,040	124,945			95,040	124,945
Other	271,123	281,875	-	-	271,123	281,875
<b>Total Revenues</b>	<u>26,965,991</u>	<u>28,092,879</u>	<u>453,969</u>	<u>458,423</u>	<u>27,419,960</u>	<u>28,551,302</u>
<b>Expenses</b>						
Instruction						
Regular	10,386,046	10,137,910			10,386,046	10,137,910
Special Education	5,663,524	5,972,224			5,663,524	5,972,224
Other Instruction	414,578	431,526			414,578	431,526
School Sponsored Activities and Athletics	628,469	630,485			628,469	630,485
Support Services						
Student and Instruction Related Services	3,227,461	3,349,914			3,227,461	3,349,914
General Administration Services	874,839	834,148			874,839	834,148
School Administration Services	1,606,842	1,598,397			1,606,842	1,598,397
Central and Other Support Services	713,107	927,667			713,107	927,667
Plant Operations and Maintenance	2,930,819	2,890,195			2,930,819	2,890,195
Pupil Transportation	735,791	815,929			735,791	815,929
Interest on Long Term Debt	493,676	95,557			493,676	95,557
Food Service	-	-	444,191	438,531	444,191	438,531
<b>Total Expenses</b>	<u>27,675,152</u>	<u>27,683,952</u>	<u>444,191</u>	<u>438,531</u>	<u>28,119,343</u>	<u>28,122,483</u>
<b>Change in Net Position</b>	(709,161)	408,927	9,778	19,892	(699,383)	428,819
<b>Net Position, Beginning of Year (Restated)</b>	<u>7,621,136</u>	<u>7,212,209</u>	<u>99,770</u>	<u>79,878</u>	<u>7,720,906</u>	<u>7,292,087</u>
<b>Net Position, Ending of Year</b>	<u>\$ 6,911,975</u>	<u>\$ 7,621,136</u>	<u>\$ 109,548</u>	<u>\$ 99,770</u>	<u>\$ 7,021,523</u>	<u>\$ 7,720,906</u>

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

**Governmental Activities**

The District's total revenues were \$26,965,991 and \$28,092,879 for the fiscal years ended June 30, 2019 and 2018, respectively. Property taxes comprised 69 percent and 63 percent of revenues for governmental activities for fiscal years ended June 30, 2019 and 2018, respectively. Federal, state and local grants of \$6,298,921 and \$8,231,754 accounted for another 23 percent and 29 percent of revenues for the fiscal years ended June 30, 2019 and 2018, respectively.

The total cost of all programs and services was \$27,675,152 and \$27,683,952 for the fiscal years ended June 30, 2019 and 2018, respectively. The increase in expenses for the current year is also due to the additional on-behalf TPAF pension contributions reported for the District. Instruction comprises 62 percent of governmental program expenses for the fiscal years ended June 30, 2019 and 2018, respectively. Support services expenses make up 36 and 38 percent of governmental expenses for the fiscal years ended June 30, 2019 and 2018, respectively. The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The schedule below shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue.

**Total and Net Cost of Services**  
**for the Fiscal Years Ended June 30, 2019 and 2018**

	<u>Total Cost</u> <u>of Services</u>		<u>Net Cost</u> <u>of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Instruction</b>				
Regular	\$ 10,386,046	\$ 10,137,910	\$ 5,859,754	\$ 4,333,477
Special Education	5,663,524	5,972,224	3,817,179	3,979,377
Other Instruction	414,578	431,526	303,988	294,286
School Sponsored Activities and Athletics	628,469	630,485	489,781	462,561
<b>Support Services</b>				
Student and Instruction Related Services	3,227,461	3,349,914	2,541,999	2,583,503
General Administration Services	874,839	834,148	779,705	721,872
School Administration Services	1,606,842	1,598,397	1,271,921	1,200,904
Central and Other Support Services	713,107	927,667	638,196	825,640
Plant Operations and Maintenance	2,930,819	2,890,195	2,842,811	2,399,658
Pupil Transportation	735,791	815,929	619,716	773,475
Interest on Long Term Debt	493,676	95,557	474,269	91,356
<b>Total</b>	<u>\$ 27,675,152</u>	<u>\$ 27,683,952</u>	<u>\$ 19,639,319</u>	<u>\$ 17,666,109</u>

The dependence of tax revenues to support governmental activities is apparent.



**WOOD-RIDGE BOARD OF EDUCATION**

**Management's Discussion and Analysis**

**For the Fiscal Year Ended June 30, 2019**

**Business-Type Activities**

The only business-type activity is the food service operation. The program had revenues of \$453,969 and expenses of \$444,191 during the fiscal year ended June 30, 2019. Of the revenues, \$295,491 were charges for services paid by patrons for daily food service, and \$158,478 were from State and Federal reimbursements for the fiscal year ended June 30, 2019.

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$24,957,653 and \$24,033,437 and expenditures were \$24,933,267 and \$25,077,290 for the fiscal years ended June 30, 2019 and 2018, respectively.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal years ended June 30, 2019 and 2018.

<u>Revenue</u>	<u>Fiscal Year</u> <u>Ended June 30,</u>		<u>Amount of</u> <u>Increase/</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
	<u>2019</u>	<u>2018</u>		
Local Sources	\$ 20,675,241	\$ 19,879,053	\$ 796,188	4%
State Sources	3,873,191	3,767,526	105,665	3%
Federal Sources	<u>409,221</u>	<u>386,858</u>	<u>22,363</u>	6%
Total	<u>\$ 24,957,653</u>	<u>\$ 24,033,437</u>	<u>\$ 924,216</u>	<u>4%</u>

For fiscal year 2019 total governmental revenues increased \$924,216 or 4% from the previous year. The increase in local sources of \$796,188 or 4% was attributable to an increase in property taxes to support escalating operating costs. As indicated state sources increased \$105,665 because the District's on-behalf pension contribution was greater in 2018/19.

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

The following schedule represents a summary of the governmental funds expenditures for the fiscal years ended June 30, 2019 and 2018.

<u>Expenditure</u>	<u>Fiscal Year</u>		<u>Amount of</u> <u>Increase/</u> <u>(Decrease)</u>	<u>Percent</u> <u>Change</u>
	<u>2019</u>	<u>2018</u>		
Current				
Instruction	\$ 15,550,899	\$ 14,652,776	\$ 898,123	6%
Support Services	8,362,636	8,303,978	58,658	1%
Debt Service	829,046	528,377	300,669	57%
Capital Outlay	<u>190,686</u>	<u>1,592,159</u>	<u>(1,401,473)</u>	-88%
Total	<u>\$ 24,933,267</u>	<u>\$ 25,077,290</u>	<u>\$ (144,023)</u>	<u>-1%</u>

For fiscal year 2019, total governmental funds expenditures decreased \$144,023 or 1%. Increases in instruction costs were attributable to special education programs and increases in support services costs were attributable to administrative services, as well as plant operations and maintenance costs. Capital outlay decreased significantly as a result of the reduced activity related to the 2014 referendum project.

Of the governmental funds, the General Fund had \$23,783,781 in revenues (predominately property taxes), and \$23,503,730 in expenditures. Other financing uses exceeded sources by \$42,029. As a result the General Fund's fund balance increased \$238,022 from \$1,909,081 at June 30, 2018 to \$2,147,103 at June 30, 2019.

**General Fund Budgetary Highlights**

The District's budget is prepared according to New Jersey Law, and is based on accounting for certain transactions on the budgetary basis of accounting for revenues, expenditures and encumbrances. The most significant budget fund is the General Fund.

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

For the fiscal year 2019 General Fund budgetary revenues and other financing sources were more than budgetary expenditures and other financing uses increasing budgetary fund balance \$263,059. After deducting restricted and assigned fund balances, the unassigned budgetary fund balance increased \$9,735 from an unassigned fund balance of \$519,164 at June 30, 2018 to \$528,899 at June 30, 2019. In addition, restricted fund balance for capital reserve decreased \$12,840 from \$1,265,649 at June 30, 2018 to \$1,252,809 at June 30, 2019. Restricted fund balance for maintenance reserve increased \$200,000 from \$200,000 at June 30, 2018 to \$400,000 at June 30, 2019.

**WOOD-RIDGE BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2019**

**Capital Assets**

At the end of fiscal years 2019 and 2018, the District had \$21,754,254 and \$22,665,548 invested in construction in progress, buildings, land improvements, furniture and equipment and vehicles net of depreciation. Overall capital assets net of accumulated depreciation decreased \$911,294 from fiscal year 2018 to fiscal year 2019. The following schedule is a comparison of capital assets net of depreciation at June 30, 2019 and 2018.

**Capital Assets, Net of Depreciation**  
**As of June 30, 2019 and 2018**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2019</u>	<u>2018</u> (Restated)	<u>2019</u>	<u>2018</u>
Land	\$ 1,602,000	\$ 1,602,000		
Construction in Progress		2,835,229		
Land Improvements	1,025,732	1,074,094		
Building and Building Improvements	19,110,902	17,011,957		
Machinery and Equipment	<u>783</u>	<u>123,044</u>	\$ 14,837	\$ 19,224
Total	<u>\$ 21,739,417</u>	<u>\$ 22,646,324</u>	<u>\$ 14,837</u>	<u>\$ 19,224</u>

Additional information on Wood-Ridge Board of Education's capital assets can be found in Note 4 of this report.

**Long-Term Liabilities**

At June 30, 2019 and 2018, the District had \$17,255,504 and \$18,647,156 of long-term liabilities, respectively. The schedule below details the Board's outstanding long-term liabilities as of June 30, 2019 and 2018.

**Long-Term Liabilities**  
**As of June 30, 2019 and 2018**

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Serial Bonds Payable (including premium)	\$ 12,495,364	\$ 12,900,333
Compensated Absences	319,398	286,686
Net Pension Liability	<u>4,440,742</u>	<u>5,460,137</u>
Total	<u>\$ 17,255,504</u>	<u>\$ 18,647,156</u>

Additional information on Wood-Ridge Board of Education's long-term liabilities can be found in Note 4 of this report.

**WOOD-RIDGE BOARD OF EDUCATION**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2019*

**For the Future**

The Wood-Ridge Board of Education is in sound financial condition. The School District is proud of its community support of the public schools. A major concern is the continued enrollment growth of the District with the increased reliance on local property taxes.

Wood-Ridge Board of Education's budget for 2019-2020 was approved by the Board in April of 2019. Budgeted expenditures in the General Fund increased 1.9% to \$21,796,968 for fiscal year 2019-2020.

In conclusion, the Wood-Ridge Board of Education has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

**Contacting the District's Financial Management**

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact the School Business Administrator/Board Secretary at Wood-Ridge Board of Education, 540 Windsor Road, New Jersey 07075.

**BASIC FINANCIAL STATEMENTS**

**WOOD-RIDGE BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2019**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,613,990	\$ 116,426	\$ 1,730,416
Receivables, net	2,035,696	7,194	2,042,890
Inventory		3,129	3,129
Capital Assets			
Not Being Depreciated	1,602,000		1,602,000
Being Depreciated, Net	<u>20,137,417</u>	<u>14,837</u>	<u>20,152,254</u>
Total Assets	<u>25,389,103</u>	<u>141,586</u>	<u>25,530,689</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amounts on Refunding of Debt	95,647		95,647
Deferred Amount of Net Pension Liability	<u>1,202,272</u>		<u>1,202,272</u>
Total Deferred Outflows of Resources	<u>1,297,919</u>		<u>1,297,919</u>
Total Assets and Deferred Outflows of Resources	<u>26,687,022</u>	<u>141,586</u>	<u>26,828,608</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	587,372	32,038	619,410
Unearned Revenue	171,226		171,226
Accrued Interest Payable	92,700		92,700
Noncurrent Liabilities			
Due Within One Year	723,940		723,940
Due Beyond One Year	<u>16,531,564</u>		<u>16,531,564</u>
Total Liabilities	<u>18,106,802</u>	<u>32,038</u>	<u>18,138,840</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount of Net Pension Liability	<u>1,668,245</u>		<u>1,668,245</u>
Total Deferred Inflows of Resources	<u>1,668,245</u>	-	<u>1,668,245</u>
Total Liabilities and Deferred Inflows of Resources	<u>19,775,047</u>	<u>32,038</u>	<u>19,807,085</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	10,083,685	14,837	10,098,522
Restricted for:			
Maintenance Projects	400,000		400,000
Capital Projects	1,252,809		1,252,809
Unrestricted	<u>(4,824,519)</u>	<u>94,711</u>	<u>(4,729,808)</u>
Total Net Position	<u>\$ 6,911,975</u>	<u>\$ 109,548</u>	<u>\$ 7,021,523</u>

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

**WOOD-RIDGE BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
Instruction							
Regular	\$ 10,386,046	\$ 1,831,952	\$ 2,694,340		\$ (5,859,754)		\$ (5,859,754)
Special Education	5,663,524		1,846,345		(3,817,179)		(3,817,179)
Other Instruction	414,578		110,590		(303,988)		(303,988)
School Sponsored Activities and Athletics							
	628,469		138,688		(489,781)		(489,781)
Support Services							
Student and Instruction Related Svcs.	3,227,461		685,462		(2,541,999)		(2,541,999)
General Administrative Services	874,839		95,134		(779,705)		(779,705)
School Administrative Services	1,606,842		334,921		(1,271,921)		(1,271,921)
Plant Operations and Maintenance	2,930,819		83,181	\$ 4,827	(2,842,811)		(2,842,811)
Pupil Transportation	735,791		116,075		(619,716)		(619,716)
Central and Other Support Services	713,107		74,911		(638,196)		(638,196)
Interest on Long-Term Debt	493,676		19,407		(474,269)	-	(474,269)
<b>Total Governmental Activities</b>	<b>27,675,152</b>	<b>1,831,952</b>	<b>6,199,054</b>	<b>4,827</b>	<b>(19,639,319)</b>	<b>-</b>	<b>(19,639,319)</b>
<b>Business-Type Activities</b>							
Food Service	444,191	295,491	158,478	-		\$ 9,778	9,778
<b>Total Business-Type Activities</b>	<b>444,191</b>	<b>295,491</b>	<b>158,478</b>	<b>-</b>	<b>-</b>	<b>9,778</b>	<b>9,778</b>
<b>Total Primary Government</b>	<b>\$ 28,119,343</b>	<b>\$ 2,127,443</b>	<b>\$ 6,357,532</b>	<b>\$ 4,827</b>	<b>(19,639,319)</b>	<b>9,778</b>	<b>(19,629,541)</b>
<b>General Revenues:</b>							
Property Taxes, Levied for General Purposes					17,840,040		17,840,040
Property Taxes, Levied for Debt Service					723,955		723,955
State Aid - Unrestricted					79,162		79,162
Debt Service Aid					15,878		15,878
Miscellaneous Income					271,123		271,123
<b>Total General Revenues</b>					<b>18,930,158</b>	<b>-</b>	<b>18,930,158</b>
<b>Change in Net Position</b>					<b>(709,161)</b>	<b>9,778</b>	<b>(699,383)</b>
<b>Net Position, Beginning of Year (Restated)</b>					<b>7,621,136</b>	<b>99,770</b>	<b>7,720,906</b>
<b>Net Position, End of Year</b>					<b>\$ 6,911,975</b>	<b>\$ 109,548</b>	<b>\$ 7,021,523</b>

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

**FUND FINANCIAL STATEMENTS**



**WOOD-RIDGE BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,511,800		\$ 102,190		\$ 1,613,990
Due From Other Funds	149,964				149,964
Receivables, Net					
Receivables From Other Governments	1,023,992	\$ 132,507	843,807		2,000,306
Other	<u>8,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,980</u>
 Total Assets	 <u>\$ 2,694,736</u>	 <u>\$ 132,507</u>	 <u>\$ 945,997</u>	 <u>\$ -</u>	 <u>\$ 3,773,240</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 530,193	\$ 2,545	\$ 53,144		\$ 585,882
Due To Other Funds		123,554			123,554
Other Liabilities	1,490	-			1,490
Unearned Revenue	<u>15,950</u>	<u>6,408</u>	<u>148,868</u>	<u>-</u>	<u>171,226</u>
 Total Liabilities	 <u>547,633</u>	 <u>132,507</u>	 <u>202,012</u>	 <u>-</u>	 <u>882,152</u>
<b>Fund Balances</b>					
<b>Restricted Fund Balance</b>					
Capital Reserve	1,252,809				1,252,809
Maintenance Reserve- Designated for Subsequent Year's Budget	200,000				200,000
Maintenance Reserve	200,000				200,000
Capital Projects			743,985		743,985
<b>Assigned Fund Balance</b>					
Designated for Subsequent Year's Budget	273,642				273,642
Encumbrances	56,472				56,472
Unassigned Fund Balance	<u>164,180</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,180</u>
 Total Fund Balances	 <u>2,147,103</u>	 <u>-</u>	 <u>743,985</u>	 <u>-</u>	 <u>2,891,088</u>
 Total Liabilities and Fund Balances	 <u>\$ 2,694,736</u>	 <u>\$ 132,507</u>	 <u>\$ 945,997</u>	 <u>\$ -</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 \$29,959,274 and the accumulated depreciation is \$8,219,857. 21,739,417

Long-term liabilities, including bonds payable, capital leases, compensated absences and net pension liability are not due and payable in the current period and therefore are not reported as liabilities in the funds. (See Note 2A) (17,255,504)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 95,647

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (92,700)

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

Deferred Outflows of Resources	\$ 1,202,272	
Deferred Inflows of Resources	<u>(1,668,245)</u>	
		<u>(465,973)</u>

**Net Position of Governmental Activities** \$ 6,911,975

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

**WOOD-RIDGE BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 17,840,040			\$ 723,955	\$ 18,563,995
Tuition	1,831,952				1,831,952
Miscellaneous	271,123	\$ 8,171			279,294
Total - Local Sources	19,943,115	8,171	-	723,955	20,675,241
State Sources	3,833,079		\$ 4,827	35,285	3,873,191
Federal Sources	7,587	401,634			409,221
Total Revenues	23,783,781	409,805	4,827	759,240	24,957,653
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular Instruction	9,122,160	93,965			9,216,125
Special Education Instruction	5,116,873	278,829			5,395,702
Other Instruction	368,450				368,450
School Sponsored Activities and Athletics	570,622				570,622
Support Services					
Student and Instruction Related Services	2,887,884	37,011			2,924,895
General Administrative Services	810,580				810,580
School Administrative Services	1,436,697				1,436,697
Plant Operations and Maintenance	1,807,123				1,807,123
Pupil Transportation	729,891				729,891
Central and Other Support Services	653,450				653,450
Debt Service					
Principal				375,000	375,000
Interest				454,046	454,046
Capital Outlay			190,686		190,686
Total Expenditures	23,503,730	409,805	190,686	829,046	24,933,267
Excess (Deficiency) of Revenues Over/(Under) Expenditures	280,051	-	(185,859)	(69,806)	24,386
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	7,971		50,000		57,971
Transfers Out	(50,000)		(7,971)		(57,971)
Total Other Financing Sources and Uses	(42,029)	-	42,029	-	-
Net Change in Fund Balance	238,022	-	(143,830)	(69,806)	24,386
Fund Balance, Beginning of Year	1,909,081	-	887,815	69,806	2,866,702
Fund Balance, End of Year	\$ 2,147,103	\$ -	\$ 743,985	\$ -	\$ 2,891,088

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

**WOOD-RIDGE BOARD OF EDUCATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** \$ 24,386

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense.

Capital Outlay	\$	190,686	
Depreciation Expense		<u>(1,097,593)</u>	(906,907)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources. Neither transaction, however, has any effect on Statement of Activities.

Principal Repayments:			
Bonds Payable			375,000

In the statement of activities, costs related to the issuance of long term debt are deferred and amortized over the term of the debt. In the governmental funds, the issuance costs are reported upon the issuance of debt. This amount represents the current year amortization of the costs related to the issuance of long term debt in previous years.

Deferred Amount on Refunding		(23,237)	
Original Issue Premium		<u>29,969</u>	6,732

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

Net Increase in Compensated Absences			(32,712)
Net Increase in Pension Expense			(129,298)

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

Increase in Accrued Interest			<u>(46,362)</u>
------------------------------	--	--	-----------------

**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ (709,161)**

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

**WOOD-RIDGE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 FOOD SERVICE ENTERPRISE FUND  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2019**

**ASSETS**

Current Assets	
Cash and Cash Equivalents	\$ 116,426
Intergovernmental Receivable	
State	267
Federal	6,927
Inventories	<u>3,129</u>
Total Current Assets	<u>126,749</u>
Noncurrent Assets	
Furniture, Machinery and Equipment	88,672
Less Accumulated Depreciation	<u>(73,835)</u>
Total Capital Assets, Net	<u>14,837</u>
Total Assets	<u>141,586</u>

**LIABILITIES**

Accounts Payable	<u>32,038</u>
Total Liabilities	<u>32,038</u>

**NET POSITION**

Investment in Capital Assets	14,837
Unrestricted	<u>94,711</u>
Total Net Position	<u><u>\$ 109,548</u></u>

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

**WOOD-RIDGE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 FOOD SERVICE ENTERPRISE FUND  
 STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**OPERATING REVENUES**

Charges for Services	
Daily Sales	
Reimbursable Programs	\$ 163,676
Non-Reimbursable Programs	<u>131,815</u>
 Total Operating Revenues	 <u>295,491</u>

**OPERATING EXPENSES**

Cost of Sales	
Reimbursable Programs	144,810
Non-Reimbursable Programs	34,235
Salaries and Benefits	192,096
Management Fee	24,758
Other Purchased Services	6,788
Supplies and Materials	25,811
Miscellaneous Expenses	11,306
Depreciation	<u>4,387</u>
 Total Operating Expenses	 <u>444,191</u>

Operating Income/(Loss)	<u>(148,700)</u>
-------------------------	------------------

**NONOPERATING REVENUES**

State Sources	
School Lunch Program	4,367
Federal Sources	
Food Distribution Program	41,197
National School Lunch Program	102,572
School Breakfast Program	9,584
Interest Revenue	<u>758</u>
 Total Nonoperating Revenues	 <u>158,478</u>

Change in Net Position	9,778
------------------------	-------

Net Position, Beginning of Year	<u>99,770</u>
---------------------------------	---------------

Net Position, End of Year	<u><u>\$ 109,548</u></u>
---------------------------	--------------------------

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

**WOOD-RIDGE BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 FOOD SERVICE ENTERPRISE FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from Customers	\$ 295,491
Payments for Employees Salaries and Benefits	(192,096)
Payments to Suppliers for Goods and Services	<u>(247,950)</u>
Net Cash Provided/(Used) by Operating Activities	<u>(144,555)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

State and Federal Subsidy Reimbursements	<u>115,667</u>
Net Cash Provided by Noncapital Financing Activities	<u>115,667</u>
Net Change in Cash and Cash Equivalents	(28,130)
Cash and Cash Equivalents, Beginning of Year	<u>144,556</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 116,426</u></u>

**Reconciliation of Operating Income (Loss) to Net Cash Provided/  
(Used) by Operating Activities:**

Operating Income/(Loss)	\$ (148,700)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided/(Used) by Operating Activities	
Non-Cash Federal Assistance- National School Lunch Program (Food Distribution)	41,197
Depreciation	4,387
Changes in Assets and Liabilities	
(Increase) Decrease in Inventories	(905)
Increase (Decrease) in Accounts Payable	<u>(40,534)</u>
Total Adjustments	<u>4,145</u>
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ (144,555)</u></u>
Non-Cash Financing Activities	
National School Lunch (Food Distribution)	<u><u>\$ 41,197</u></u>

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

**WOOD-RIDGE BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
AS OF JUNE 30, 2019**

	<u>Scholarship Trust Fund</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 13,158	\$ 71,695	\$ 211,667
Total Assets	<u>13,158</u>	<u>71,695</u>	<u>\$ 211,667</u>
<b>LIABILITIES</b>			
Intergovernmental Payable		\$ 4,676	
Due To Student Groups			\$ 147,344
Due to Other Funds			26,410
Payroll Deductions and Withholdings			20,186
Accrued Salaries and Wages			431
Reserve for Flexible Spending			<u>17,296</u>
Total Liabilities	<u>-</u>	<u>4,676</u>	<u>\$ 211,667</u>
<b>NET POSITION</b>			
Held In Trust For Unemployment Claims and Other Purposes	<u>\$ 13,158</u>	<u>\$ 67,019</u>	

**WOOD-RIDGE BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Scholarship Trust Fund</u>	<u>Unemployment Compensation Trust</u>
<b>ADDITIONS</b>		
Investment Earnings		
Interest	\$ 34	\$ 206
Payroll Deductions		42,947
Board Contribution	-	5,000
	<u>34</u>	<u>48,153</u>
<b>DEDUCTIONS</b>		
Scholarships Awards	750	
Unemployment Claims and Contributions		25,565
	<u>750</u>	<u>25,565</u>
Change in Net Position	(716)	22,588
Net Position, Beginning of Year	<u>13,874</u>	<u>44,431</u>
Net Position, End of Year	<u>\$ 13,158</u>	<u>\$ 67,019</u>



**NOTES TO THE FINANCIAL STATEMENTS**

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Wood-Ridge Board of Education (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of five elected officials from the Borough of Wood-Ridge and one representative from the Borough of Moonachie. The Board is responsible for the fiscal control of the District. A superintendent of schools is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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

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

**B. New Accounting Standards**

During fiscal year 2019, the District adopted the following GASB statements as required:

- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, the primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

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

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**District-Wide Financial Statements**

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

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

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

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

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

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

Additionally, the government reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

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

**Reclassifications**

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

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

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

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

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

***2. Receivables***

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

**3. Inventories**

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

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

**4. Capital Assets**

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings and Building Improvements	10-50
Machinery and Equipment	5-20

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

***5. Deferred Outflows/Inflows of Resources (Continued)***

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

***6. Compensated Absences***

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

***7. Pensions***

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

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

***8. Long-Term Obligations***

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

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

WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

*Capital Reserve* – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3b).

*Maintenance Reserve – Designated for Subsequent Year's Budget* – This designation was created to dedicated the portion of maintenance reserve fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

*Maintenance Reserve* – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities

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

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

*Designated for Subsequent Year's Budget* – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2019/2020 District budget certified for taxes.

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



**WOOD-RIDGE BOARD OF EDUCATION,  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

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

**Governmental Fund Statements (Continued)**

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

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

***10. Fund Balance Policies***

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

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

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

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

**2. *Property Taxes***

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

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

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

Tuition Expenditures - Tuition charges for the fiscal years 2017-2018 and 2018-2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 2 RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of certain differences between the governmental fund balance sheet and the district-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position– governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details are as follows:

Bonds Payable	\$ (12,372,000)
Issuance Premium (to be amortized over life of debt)	(123,364)
Compensated Absences	(319,398)
Net Pension Liability	<u>(4,440,742)</u>
 Net Adjustment to Reduce Fund Balance - Total Governmental Funds to Arrive at Net Position - Governmental Activities	 <u>\$ (17,255,504)</u>

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2018/2019. Also, during 2018/2019 the Board increased the original budget by \$209,303. The increase was funded by additional grant awards and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved the withdrawal and transfer of \$50,000 in capital reserve funds to the Capital Projects Fund for the High School cafeteria improvements.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**B. Capital Reserve**

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018		\$ 1,265,649
Increased by:		
Interest Earnings	\$ 708	
Transfers from Capital Projects Fund	7,971	
Deposits Approved by Board Resolution	28,481	
Total Increases		<u>37,160</u>
		1,302,809
Decreased by:		
Approved Transfers to Capital Projects Fund		<u>50,000</u>
Balance, June 30, 2019		<u>\$ 1,252,809</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district’s Long Range Facilities Plan.

**C Maintenance Reserve**

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

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018		\$ 200,000
Increased by:		
Deposits Approved by Board Resolution		<u>200,000</u>
Balance, June 30, 2019		<u>\$ 400,000</u>

The June 30, 2019 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,058,320. \$200,000 of the maintenance reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2019, the book value of the Board's deposits were \$2,026,936 and bank and brokerage firm balances of the Board's deposits amounted to \$2,700,817. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<b><u>Depository Account</u></b>	<b><u>Bank Balance</u></b>
Insured	\$ <u>2,700,817</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2018 none of Board's bank balances were exposed to custodial credit risk.

**Investments**

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

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

**Investments (Continued)**

As of June 30, 2019, the Board had no outstanding investments.

Interest Rate Risk – The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

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

**B. Receivables**

Receivables as of June 30, 2019 for the district’s individual major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Accounts	\$ 8,980				\$ 8,980
Intergovernmental					
Federal		\$ 132,507		\$ 6,927	139,434
State	29,823		\$ 843,807	267	873,897
Property Taxes	843,818				843,818
Local	150,351	-	-	-	150,351
Gross Receivables	1,032,972	132,507	843,807	7,194	2,016,480
Less: Allowance for Uncollectibles	-	-	-	-	-
Net Total Receivables	<u>\$ 1,032,972</u>	<u>\$ 132,507</u>	<u>\$ 843,807</u>	<u>\$ 7,194</u>	<u>\$ 2,016,480</u>

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

General Fund		
Prepaid Pre-K Tuition Revenue	\$	15,950
Special Revenue Fund		
Unencumbered Grant Draw Downs		6,408
Capital Projects fund		
Unrealized School Facilities Grants		<u>148,868</u>
 Total Unearned Revenue for Governmental Funds	 \$	 <u>171,226</u>

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance, July 1, 2018 (Restated)	Increases	Decreases	Transfers	Balance, June 30, 2019
<b>Governmental Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 1,602,000				\$ 1,602,000
Construction in Progress	<u>2,835,229</u>	\$ 190,686	-	\$ (3,025,915)	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>4,437,229</u>	<u>190,686</u>	<u>-</u>	<u>(3,025,915)</u>	<u>1,602,000</u>
Capital Assets, Being Depreciated:					
Land Improvements	1,303,858				\$ 1,303,858
Buildings and Building Improvements	22,724,756			3,025,915	25,750,671
Machinery and equipment	<u>1,302,745</u>	-	-	-	<u>1,302,745</u>
Total Capital Assets Being Depreciated	<u>25,331,359</u>	<u>-</u>	<u>-</u>	<u>3,025,915</u>	<u>28,357,274</u>
Less Accumulated Depreciation for:					
Land Improvements	(229,764)	(48,362)			(278,126)
Buildings and Building Improvements	(5,712,799)	(926,970)			(6,639,769)
Machinery and Equipment	<u>(1,179,701)</u>	<u>(122,261)</u>	-	-	<u>(1,301,962)</u>
Total Accumulated Depreciation	<u>(7,122,264)</u>	<u>(1,097,593)</u>	<u>-</u>	<u>-</u>	<u>(8,219,857)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,209,095</u>	<u>(1,097,593)</u>	<u>-</u>	<u>-</u>	<u>20,137,417</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,646,324</u>	<u>\$ (906,907)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,739,417</u>



**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

	Balance, July 1, 2018	Increases	Decreases	Balance, June 30, 2019
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 88,672	-	-	\$ 88,672
Total Capital Assets Being Depreciated	<u>88,672</u>	<u>-</u>	<u>-</u>	<u>88,672</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(69,448)	\$ (4,387)	-	(73,835)
Total Accumulated Depreciation	<u>(69,448)</u>	<u>(4,387)</u>	<u>-</u>	<u>(73,835)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 19,224</u>	<u>\$ (4,387)</u>	<u>\$ -</u>	<u>\$ 14,837</u>

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

**Governmental Activities:**

Instruction	
Regular	\$ 85,298
Total Instruction	<u>85,298</u>
Support Services	
Student and Instruction Related Services	448
General Administrative Services	1,483
School Administrative Services	3,477
Plant Operations and Maintenance	<u>1,006,887</u>
Total Support Services	<u>1,012,295</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,097,593</u>
<b>Business-Type Activities:</b>	
Food Service Fund	<u>\$ 4,387</u>

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2019:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
HVAC Upgrades at High School	\$ 3,355,858	\$ 53,144
Total		<u>\$ 53,144</u>

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

The composition of interfund balances as of June 30, 2019, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 123,554
General Fund	Payroll Agency Fund	<u>26,410</u>
		<u>\$ 149,964</u>

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

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

**Interfund transfers**

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>Transfer Out:</u>			
General Fund		\$ 50,000	\$ 50,000
Capital Projects Fund	\$ 7,971	-	<u>7,971</u>
	<u>\$ 7,971</u>	<u>\$ 50,000</u>	<u>\$ 57,971</u>

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Leases**

**Operating Leases**

The District leases copiers under noncancelable operating leases. Lease payments for the fiscal year ended June 30, 2019 were \$49,128. The future minimum lease payments for these operating leases are as follows:

Fiscal Year Ending June 30,	<u>Amount</u>
2020	\$ 49,128
2021	49,128
2022	39,503
2023	<u>17,352</u>
Total	<u>\$ 155,111</u>

**G. Long-Term Debt**

**General Obligation Bonds**

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

Bonds payable at June 30, 2019 are comprised of the following issues:

\$4,450,000, 2013 Refunding Bonds, due in annual installments of \$390,000 to \$460,000 through July 15, 2025 interest at 3.0%	\$ 2,995,000
\$9,377,000, 2017 School Bonds, due in annual installments of \$302,000 to \$600,000 through September 15, 2037 interest at 2.0% to 3.0%	<u>9,377,000</u>
	<u>\$ 12,372,000</u>

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Long-Term Debt (Continued)**

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

**Governmental Activities:**

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2020	\$ 692,000	\$ 328,270	\$ 1,020,270
2021	710,000	310,300	1,020,300
2022	740,000	291,725	1,031,725
2023	765,000	272,450	1,037,450
2024	795,000	252,475	1,047,475
2025-2029	3,445,000	984,225	4,429,225
2030-2034	3,000,000	558,750	3,558,750
2035-2038	<u>2,225,000</u>	<u>127,875</u>	<u>2,352,875</u>
	<u>\$ 12,372,000</u>	<u>\$ 3,126,070</u>	<u>\$ 15,498,070</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2019 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 52,715,633
Less: Bonds Issued and Bonds Authorized But Not Issued	<u>12,372,513</u>
Remaining Borrowing Power	<u>\$ 40,343,120</u>

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	Balance, <u>July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2019</u>	Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 12,747,000		\$ 375,000	\$ 12,372,000	\$ 692,000
Add: Premium on Refunding	<u>153,333</u>	<u>-</u>	<u>29,969</u>	<u>123,364</u>	<u>-</u>
Bonds Payable, Net	12,900,333	-	404,969	12,495,364	692,000
Compensated Absences	286,686	\$ 32,712		319,398	31,940
Net Pension Liability	<u>5,460,137</u>	<u>-</u>	<u>1,019,395</u>	<u>4,440,742</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 18,647,156</u>	<u>\$ 32,712</u>	<u>\$ 1,424,364</u>	<u>\$ 17,255,504</u>	<u>\$ 723,940</u>

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

**NOTE 5 OTHER INFORMATION**

**A. Risk Management**

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

The District is a member of the School Alliance Insurance Fund (SAIF). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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

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

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

Fiscal Year Ended <u>June 30,</u>	<u>District Contribution</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019	\$ 5,000	\$ 42,947	\$ 25,565	\$ 67,019
2018	-	20,260	48,763	44,431
2017	-	39,399	47,418	72,934

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2019, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2019, the District has not estimated its arbitrage earnings due to the IRS, if any.

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

**Plan Descriptions and Benefits Provided**

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

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

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

The following represents the membership tiers for PERS:

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

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

**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 represent the membership tiers for TPAF:

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

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

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

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



**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

**Other Pension Funds**

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

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

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

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

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

**Investment Valuation**

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

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

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2018 is \$19.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 53.60%. The collective net pension liability of the State funded TPAF at June 30, 2018 is \$63.81 billion and the plan fiduciary net position as a percentage of total pension liability is 26.49%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2017 which were rolled forward to June 30, 2018.

**Actuarial Methods and Assumptions**

In the July 1, 2017 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2019.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2019 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than this actuarial determined amount. For PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2019, 2018 and 2017 were equal to the required contributions.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

During the fiscal years ended June 30, 2019, 2018 and 2017 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2019	\$ 224,338	\$ 1,420,858	\$ 15,427
2018	217,293	1,049,666	11,508
2017	198,905	709,099	7,734

In addition for fiscal years 2019, 2018 and 2017 the District contributed \$562, \$2,317 and \$1,094, respectively for PERS and the State contributed \$2,165, \$2,401 and \$2,411, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$596,307 during the fiscal year ended June 30, 2019 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2017 through June 30, 2018. Employer allocation percentages have been rounded for presentation purposes.

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

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2018 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2019, the District reported in the statement of net position (accrual basis) a liability of \$4,440,742 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating governmental entities, actuarially determined. At June 30, 2018, the District's proportionate share was .02255 percent, which was a decrease of .00091 percent from its proportionate share measured as of June 30, 2017 of .02346 percent.

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$353,636 for PERS. The pension contribution made by the District during the current 2018/2019 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2019 with a measurement date of the prior fiscal year end of June 30, 2018. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2019 for contributions made subsequent to the measurement date. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 84,686	\$ 22,898
Changes of Assumptions	731,761	1,419,913
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		41,654
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>385,825</u>	<u>183,780</u>
Total	<u>\$ 1,202,272</u>	<u>\$ 1,668,245</u>

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

At June 30, 2019, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2020	\$ 95,769
2021	70,345
2022	(245,407)
2023	(277,182)
2024	(109,498)
Thereafter	<u>-</u>
	<u>\$ (465,973)</u>

***Actuarial Assumptions***

The District's total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

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

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
US Equities	30.00%	8.19%
Non-US Developed Markets Equity	11.50%	9.00%
Emerging Market Equities	6.50%	11.64%
Public High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
Buyouts/Venture Capital	8.25%	13.08%

***Discount Rate***

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	5.66%
2018	June 30, 2017	5.00%

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

*Discount Rate (Continued)*

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2046
Municipal Bond Rate *	From July 1, 2046 and Thereafter

\* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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.

*Sensitivity of Net Pension Liability*

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 5.66%, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.66 percent) or 1-percentage-point higher (6.66 percent) than the current rate:

	<b>1% Decrease <u>4.66%</u></b>	<b>Current Discount Rate <u>5.66%</u></b>	<b>1% Increase <u>6.66%</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>5,583,721</u>	\$ <u>4,440,742</u>	\$ <u>3,481,855</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability at June 30, 2018. A sensitivity analysis specific to the District’s net pension liability at June 30, 2018 was not provided by the pension system.

*Pension Plan Fiduciary Net Position*

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

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2018. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2018, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,580,837 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the net pension liability attributable to the District is \$44,270,868. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2018. At June 30, 2018, the State's share of the net pension liability attributable to the District was .06959 percent, which was an increase of .00655 percent from its proportionate share measured as of June 30, 2017 of .06304 percent.



**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

**Actuarial Assumptions**

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.25%
Salary Increases:	
2011-2026	1.55-4.55%
Thereafter	2.00-5.45%
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2006

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2018) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

*Discount Rate*

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	4.86%
2018	June 30, 2017	4.25%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

\* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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.

***Sensitivity of Net Pension Liability***

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.86%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.86 percent) or 1-percentage-point higher (5.86 percent) than the current rate:

	<u>1% Decrease (3.86%)</u>	<u>Current Discount Rate (4.86%)</u>	<u>1% Increase (5.86%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 52,327,325	\$ 44,270,868	\$ 37,592,261

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2018. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2018 was not provided by the pension system.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

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

***Pension Plan Fiduciary Net Position***

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

**E. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. Therefore, the plan has no assets accumulated in a trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

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

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

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2017:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	145,050
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u>          -</u>
Total	<u>362,181</u>

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2018 is \$46.1 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2017 which were rolled forward to June 30, 2018.

**Actuarial Methods and Assumptions**

In the June 30, 2017 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2018.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2019, 2018 and 2017 were \$644,499, \$677,958 and \$590,841, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2017 through June 30, 2018. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2019, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$1,492,858. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the OPEB liability attributable to the District is \$30,350,052. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2018. At June 30, 2018, the state's share of the OPEB liability attributable to the District was .0700 percent, which was an increase of 0.5662 percent from its proportionate share measured as of June 30, 2017 of .6362 percent.

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

**Actuarial Assumptions**

The OPEB liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disable Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.
Long-Term Rate of Return	1.00%

\*Salary increases are based on the defined benefit plan that the individual is enrolled in and his or her year of service for TPAF or his or her age for PERS.

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits; this amount initially is 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0 percent and decreases to a 5.0 percent long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2012 to June 30, 2015 and July 1, 2011 to June 30, 2014, respectively.

**Long-Term Expected Rate of Return**

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2018.

**Discount Rate**

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	3.87%
2018	June 30, 2017	3.58%

**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

**Discount Rate (Continued)**

The discount rate represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2017 Measurement Date	\$ 34,126,649
Changes Recognized for the Fiscal Year:	
Service Cost	1,268,183
Interest on the Total OPEB Liability	1,253,234
Differences Between Expected and Actual Experience	(2,031,692)
Changes of Assumptions	(3,482,820)
Gross Benefit Payments	(811,550)
Contributions from the Member	28,048
<b>Net Changes</b>	<b>\$ (3,776,597)</b>
Balance, June 30, 2018 Measurement Date	\$ 30,350,052

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 was not provided by the pension system.

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.87% as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 35,879,940	\$ 30,350,052	\$ 25,954,362



**WOOD-RIDGE BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 5 OTHER INFORMATION (Continued)**

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

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

**Sensitivity of OPEB Liability (Continued)**

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

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
Total OPEB Liability (School Retirees)	<u>\$ 25,086,086</u>	<u>\$ 30,350,052</u>	<u>\$ 37,311,849</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 were not provided by the pension system.

**F. Tax Abatements**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential school tax revenue 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 Wood-Ridge Board of Education, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

**NOTE 6 RESTATEMENT**

The District-wide financial statements for June 30, 2018 have been restated to reflect the land value of assets owned by the Board of Education. The effect of this restatement results in an increase of \$1,602,000 in governmental activities capital assets with a corresponding increase in the net investment in capital assets component of net position of June 30, 2018.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 17,840,040		\$ 17,840,040	\$ 17,840,040	
Tuition From Individuals	549,400		549,400	541,140	\$ (8,260)
Tuition From Other LEA's Within the State	1,460,734		1,460,734	1,290,812	(169,922)
Interest Earned on Capital Reserve Funds	100		100	708	608
Unrestricted Miscellaneous Revenues	232,500	-	232,500	270,415	37,915
<b>Total Local Sources</b>	<b>20,082,774</b>	<b>-</b>	<b>20,082,774</b>	<b>19,943,115</b>	<b>(139,659)</b>
State Sources					
Special Education Aid	662,355		662,355	662,355	
Security Aid	22,479		22,479	22,479	
Transportation Aid	118,852		118,852	118,852	
Equalization Aid	79,500		79,500	79,500	
Extraordinary Aid - 2017/2018			-	1,187	1,187
Extraordinary Aid - 2018/2019	200,000		200,000	309,914	109,914
On Behalf TPAF (Non Budgeted)					
Pension Contribution				1,391,726	1,391,726
NCGI Premium				29,132	29,132
LTDI				2,165	2,165
Post Retirement Medical Contributions				644,499	644,499
Social Security Contributions	-	-	-	596,307	596,307
<b>Total State Sources</b>	<b>1,083,186</b>	<b>-</b>	<b>1,083,186</b>	<b>3,858,116</b>	<b>2,774,930</b>
Federal Sources					
Medicaid Assistance Program (SEMI)	22,691	-	22,691	7,587	(15,104)
<b>Total Federal Sources</b>	<b>22,691</b>	<b>-</b>	<b>22,691</b>	<b>7,587</b>	<b>(15,104)</b>
<b>Total Revenues</b>	<b>21,188,651</b>	<b>-</b>	<b>21,188,651</b>	<b>23,808,818</b>	<b>2,620,167</b>
<b>EXPENDITURES</b>					
<b>CURRENT</b>					
Instruction - Regular Programs					
Salaries of Teachers					
Preschool	232,368	\$ 1,500	233,868	232,768	1,100
Kindergarten	319,484	(4,751)	314,733	314,733	-
Grades 1-5	1,550,809	(7,593)	1,543,216	1,543,216	-
Grades 6-8	1,081,779	(84,499)	997,280	997,280	-
Grades 9-12	2,054,194	60,827	2,115,021	2,115,021	-
<b>Regular Programs - Home Instruction</b>					
Salaries of Teachers	10,000	(8,345)	1,655	1,655	-
Purchased Professional/Educational Services		998	998	998	-
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	135,977	45,761	181,738	181,738	-
Purchased Professional/Educational Services		6,553	6,553	6,553	-
Purchased Technical Services	700	243	943	700	243
Other Purchased Services	61,356	(4,930)	56,426	56,401	25
General Supplies	152,730	8,164	160,894	155,533	5,361
Textbooks	72,302	(26,125)	46,177	44,501	1,676
Other Objects	320	604	924	918	6
<b>Total Regular Programs</b>	<b>5,672,019</b>	<b>(11,593)</b>	<b>5,660,426</b>	<b>5,652,015</b>	<b>8,411</b>
Resource Room/Resource Center					
Salaries of Teachers	985,239	113,404	1,098,643	1,098,643	
Other Salaries for Instruction	62,226	(2,526)	59,700	59,700	
General Supplies	7,700	(416)	7,284	6,267	1,017
Textbooks	200	-	200	-	200
<b>Total Resource Room/Resource Center</b>	<b>1,055,365</b>	<b>110,462</b>	<b>1,165,827</b>	<b>1,164,610</b>	<b>1,217</b>
Preschool Disabilities - Full-Time					
Salaries of Teachers	170,275	(54,071)	116,204	116,204	
Other Salaries for Instruction	41,601	38,181	79,782	79,782	-
Supplies and Materials	-	416	416	416	-
<b>Total Preschool Disabilities - Part-Time</b>	<b>211,876</b>	<b>(15,474)</b>	<b>196,402</b>	<b>196,402</b>	<b>-</b>
Home Instruction					
Salaries of Teachers	20,000	(3,585)	16,415	16,415	-
Purchased Professional-Educational Services	-	19,500	19,500	7,650	11,850
<b>Total Home Instruction</b>	<b>20,000</b>	<b>15,915</b>	<b>35,915</b>	<b>24,065</b>	<b>11,850</b>
<b>Total Special Education</b>	<b>1,287,241</b>	<b>110,903</b>	<b>1,398,144</b>	<b>1,385,077</b>	<b>13,067</b>

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**EXHIBIT C-1**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT (Continued)</b>					
Basic Skills/Remedial					
Salaries of Teachers	\$ 69,277	-	\$ 69,277	\$ 69,277	-
Total Basic Skills/Remedial	69,277	-	69,277	69,277	-
Bilingual Education					
Salaries of Teachers	54,065	-	54,065	54,065	-
General Supplies	200	-	200	-	\$ 200
Total Bilingual Education	54,265	-	54,265	54,065	200
School Sponsored Co/Extra Curricular Activities					
Salaries	108,814	\$ (4,352)	104,462	100,289	4,173
Supplies and Materials	4,433	-	4,433	886	3,547
Other Objects	2,833	-	2,833	2,097	736
Total School Sponsored Co/Extra Curricular Activities	116,080	(4,352)	111,728	103,272	8,456
School Sponsored Athletics					
Salaries	193,437	(1,450)	191,987	186,987	5,000
Purchased Services	89,240	(44)	89,196	70,390	18,806
Supplies and Materials	32,755	(434)	32,321	31,895	426
Other Objects	20,885	1,928	22,813	18,091	4,722
Total School Sponsored Athletics	336,317	-	336,317	307,363	28,954
Before/After School Programs - Instruction					
Salaries of Teacher Tutors	96,700	9,031	105,731	105,731	-
Supplies and Materials	10,000	1,804	11,804	11,804	-
Total Before/After School Programs - Instruction	106,700	10,835	117,535	117,535	-
Total Instruction	7,641,899	105,793	7,747,692	7,688,604	59,088
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State - Special	1,318,069	(85,579)	1,232,490	1,212,586	19,904
Tuition to County Voc. School District-Regular	409,554	(26,231)	383,323	383,323	-
Tuition to County Voc. School District-Special	377,714	46,290	424,004	424,004	-
Tuition to CSSD and Regional Day Schools	270,553	190,387	460,940	398,269	62,671
Tuition to Priv. Sch. for the Disabled - w/i state	1,015,592	(44,345)	971,247	940,797	30,450
Total Undistributed Expenditures - Instruction	3,391,482	80,522	3,472,004	3,358,979	113,025
Attendance and Social Work					
Other Purchased Services	1,000	330	1,330	1,330	-
Supplies and Materials	4,500	-	4,500	4,500	-
Total Attendance and Social Work	5,500	330	5,830	5,830	-
Health Services					
Salaries	200,695	30,058	230,753	228,478	2,275
Purchased Professional and Technical Services	17,000	5,125	22,125	21,554	571
Supplies and Materials	4,400	(32)	4,368	3,579	789
Total Health Services	222,095	35,151	257,246	253,611	3,635
Speech, OT, PT & Related Services					
Salaries	245,425	(5,419)	240,006	237,673	2,333
Purchased Professional-Educational Services	209,020	(31,625)	177,395	110,006	67,389
Supplies and Materials	1,500	1,054	2,554	2,350	204
Total Speech, OT, PT & Related Services	455,945	(35,990)	419,955	350,029	69,926

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Other Support Services - Students - Extra Services					
Salaries	\$ 197,106	\$ (25,496)	\$ 171,610	\$ 158,855	\$ 12,755
Purchased Professional/Educational Services	425,000	(133,391)	291,609	231,679	59,930
<b>Total Other Supp.Serv. Student - Extra Services</b>	<b>622,106</b>	<b>(158,887)</b>	<b>463,219</b>	<b>390,534</b>	<b>72,685</b>
Guidance					
Salaries of Other Professional Staff	192,360	(2,830)	189,530	183,444	6,086
Salaries of Secretarial & Clerical Assistants	52,790	2,500	55,290	55,290	
Purchased Professional/Educational Services	8,300	2,656	10,956	9,356	1,600
Other Purchased Services	200	(135)	65		65
Supplies and Materials	8,720	(2,000)	6,720	6,720	-
<b>Total Guidance</b>	<b>262,370</b>	<b>191</b>	<b>262,561</b>	<b>254,810</b>	<b>7,751</b>
Child Study Teams					
Salaries of Other Professional Staff	357,385	15,507	372,892	372,077	815
Salaries of Secretarial & Clerical Assistants	52,790	-	52,790	52,790	
Purchased Professional- Educational Services	45,000	(24,328)	20,672	17,351	3,321
Miscellaneous Purchased Services	4,338	(229)	4,109		4,109
Supplies and Materials	7,250	2,425	9,675	9,293	382
<b>Total Child Study Teams</b>	<b>466,763</b>	<b>(6,625)</b>	<b>460,138</b>	<b>451,511</b>	<b>8,627</b>
Other Support Services - Improvement of Instructional Services					
Salaries of Supervisor of Instruction	118,603	-	118,603	116,447	2,156
Salaries of Other Professional Staff	4,000	-	4,000	2,676	1,324
Supplies and Materials	9,119	(6,450)	2,669		2,669
Other Objects	500	-	500	-	500
<b>Total Other Support Services - Improvement of Inst. Svcs.</b>	<b>132,222</b>	<b>(6,450)</b>	<b>125,772</b>	<b>119,123</b>	<b>6,649</b>
Educational Media/School Library					
Salaries	171,983	3,500	175,483	175,483	-
Other Purchased Services	7,400	450	7,850	7,335	515
Supplies and Materials	10,123	1,802	11,925	11,771	154
<b>Total Educational Media/School Library</b>	<b>189,506</b>	<b>5,752</b>	<b>195,258</b>	<b>194,589</b>	<b>669</b>
Instructional Staff Training Services					
Purchased Professional/Educational Services	1,000	200	1,200	354	846
Other Purchased Services	1,100	(155)	945	528	417
<b>Total Instructional Staff Training Services</b>	<b>2,100</b>	<b>45</b>	<b>2,145</b>	<b>882</b>	<b>1,263</b>
Support Services General Administration					
Salaries	357,900	20,586	378,486	372,214	6,272
Legal Services	40,000	14,351	54,351	52,295	2,056
Audit Fees	29,000	3,716	32,716	32,716	-
Other Purchased Professional Service	6,750	-	6,750	6,575	175
Architectural/Engineering Services	-	-	-	-	-
Communications/Telephone	62,476	5,159	67,635	61,122	6,513
Miscellaneous Purchased Services	37,988	9,761	47,749	39,142	8,607
BOE Other Purchased Services	4,500	(250)	4,250		4,250
General Supplies	6,700	(765)	5,935	4,465	1,470
Miscellaneous Expenditures	8,500	258	8,758	8,758	-
BOE Membership Dues and Fees	7,500	(297)	7,203	7,187	16
<b>Total Support Services General Administration</b>	<b>561,314</b>	<b>52,519</b>	<b>613,833</b>	<b>584,474</b>	<b>29,359</b>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Directors	566,813	89,501	656,314	656,314	
Salaries of Other Professional Staff	77,280	(77,280)			
Salaries of Secretarial and Clerical Assistants	241,680	310	241,990	241,990	-
Other Purchased Services	24,250	(3,360)	20,890	16,484	4,406
Supplies and Materials	30,450	11,087	41,537	30,079	11,458
Other Objects	7,000	(1,000)	6,000	4,120	1,880
<b>Total Support Services School Administration</b>	<b>947,473</b>	<b>19,258</b>	<b>966,731</b>	<b>948,987</b>	<b>17,744</b>

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Central Services					
Salaries	\$ 240,115	\$ 7,177	\$ 247,292	\$ 247,292	
Purchased Professional Services	54,850	(703)	54,147	51,277	\$ 2,870
Misc. Purchased Services	6,138	(373)	5,765	695	5,070
Supplies and Materials	6,000	1,073	7,073	6,565	508
Miscellaneous Expenditures	1,500	-	1,500	1,240	260
<b>Total Central Services</b>	<b>308,603</b>	<b>7,174</b>	<b>315,777</b>	<b>307,069</b>	<b>8,708</b>
Admin. Info. Technology					
Salaries	128,629	(5,254)	123,375	123,375	-
Purchased Technical Services	11,500	-	11,500	7,235	4,265
Other Purchased Services	500	-	500	500	-
Supplies and Materials	21,452	1,610	23,062	22,579	483
<b>Total Admin. Info. Technology</b>	<b>162,081</b>	<b>(3,644)</b>	<b>158,437</b>	<b>153,189</b>	<b>5,248</b>
Required Maintenance for School Facilities					
Salaries	118,594	(6,310)	112,284	109,198	3,086
Cleaning, Repair and Maintenance	116,000	15,400	131,400	118,106	13,294
General Supplies	5,000	1,000	6,000	5,996	4
Other Objects	1,500	-	1,500	450	1,050
<b>Total Required Maintenance for School Facilities</b>	<b>241,094</b>	<b>10,090</b>	<b>251,184</b>	<b>233,750</b>	<b>17,434</b>
Custodial Services					
Salaries	653,162	17,939	671,101	670,622	479
Salaries of Non-Instructional Aides	18,000	-	18,000	17,590	410
Cleaning, Repair and Maintenance	12,000	(7,491)	4,509	1,561	2,948
Other Purchased Property Services	29,000	(7,687)	21,313	20,548	765
Insurance	104,465	17	104,482	100,159	4,323
Rental of Land & Bldg Other Than Lease Purchase Agreement	2	-	2	-	2
Other Purchased Services	-	500	500	442	58
General Supplies	85,000	-	85,000	70,893	14,107
Energy (Natural Gas)	85,000	9,039	94,039	90,446	3,593
Energy (Electricity)	193,000	(25,048)	167,952	152,761	15,191
<b>Total Custodial Services</b>	<b>1,179,629</b>	<b>(12,731)</b>	<b>1,166,898</b>	<b>1,125,022</b>	<b>41,876</b>
Care & Upkeep of Grounds					
Salaries	21,676	-	21,676	21,676	-
Cleaning, Repair and Maintenance	1,000	-	1,000	-	1,000
General Supplies	1,000	-	1,000	-	1,000
<b>Total Care &amp; Upkeep of Grounds</b>	<b>23,676</b>	<b>-</b>	<b>23,676</b>	<b>21,676</b>	<b>2,000</b>
Security					
Purchased Professional and Technical Services	16,500	-	16,500	10,592	5,908
Cleaning, Repair and Maintenance	-	4,405	4,405	2,455	1,950
General Supplies	5,000	-	5,000	-	5,000
<b>Total Security</b>	<b>21,500</b>	<b>4,405</b>	<b>25,905</b>	<b>13,047</b>	<b>12,858</b>
Student Transportation Services					
Sal. For Pupil Trans (Other than Bet. Home & School)	69,340	52	69,392	41,374	28,018
Management Fee - ESC & CTSA Transportation Program	13,500	(9,500)	4,000	-	4,000
Cleaning, Repair and Maintenance Services	5,000	1,491	6,491	6,443	48
Contracted Services (Between Home and School) - Joint Agreements	72,800	(15,600)	57,200	51,600	5,600
Contracted Services (Other Than Between Home and School) - Vendors	35,000	5,300	40,300	38,121	2,179
Contracted Services (Special Ed. Students) - Joint Agreements	32,000	-	32,000	32,000	-
Contracted Services - (Special Ed. Students) - ESCs and CTSA's	574,552	-	574,552	531,211	43,341
Contracted Services-Aid In Lieu of Payments-Charter Schools	4,000	2,300	6,300	6,300	-
Miscellaneous Purchased Services -Transportation	3,000	-	3,000	1,949	1,051
Other Objects	250	-	250	-	250
<b>Total Student Transportation Services</b>	<b>809,442</b>	<b>(15,957)</b>	<b>793,485</b>	<b>708,998</b>	<b>84,487</b>

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Unallocated Benefits- Employee Benefits					
Social Security Contributions	\$ 268,175	\$ 5,000	\$ 273,175	\$ 221,609	\$ 51,566
Other Retirement Contributions - PERS	247,825	30	247,855	240,327	7,528
Unemployment Compensation	5,000	-	5,000	5,000	-
Workmen's Compensation	110,000	(2,500)	107,500	86,890	20,610
Health Benefits	2,982,012	(71,874)	2,910,138	2,978,804	(68,666)
Tuition Reimbursement	30,000	7,439	37,439	21,004	16,435
Unused Sick Payment to Terminated/Retired Staff	30,000	(3,000)	27,000	4,905	22,095
<b>Total Unallocated Benefits</b>	<b>3,673,012</b>	<b>(64,905)</b>	<b>3,608,107</b>	<b>3,558,539</b>	<b>49,568</b>
On Behalf TPAF (Non Budgeted)					
Pension Contribution	-	-	-	1,391,726	(1,391,726)
NCGI Premium	-	-	-	29,132	(29,132)
Long Term Disability Insurance	-	-	-	2,165	(2,165)
Post Retirement Medical Contributions	-	-	-	644,499	(644,499)
Social Security Contributions	-	-	-	596,307	(596,307)
<b>Total On-Behalf TPAF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,663,829</b>	<b>(2,663,829)</b>
<b>Total Undistributed Expenditures</b>	<b>13,677,913</b>	<b>(89,752)</b>	<b>13,588,161</b>	<b>15,698,478</b>	<b>(2,110,317)</b>
<b>Total Current Expenditures</b>	<b>21,319,812</b>	<b>16,041</b>	<b>21,335,853</b>	<b>23,387,082</b>	<b>(2,051,229)</b>
<b>CAPITAL OUTLAY</b>					
Facilities Acquisition and Construction Services					
Construction Services	-	-	-	-	-
Assessment for Debt Service on SDA Funding	29,575	-	29,575	29,575	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>29,575</b>	<b>-</b>	<b>29,575</b>	<b>29,575</b>	<b>-</b>
Interest Deposit to Capital Reserve	100	-	100	-	100
<b>Total Capital Outlay</b>	<b>29,675</b>	<b>-</b>	<b>29,675</b>	<b>29,575</b>	<b>100</b>
Transfer of Funds to Charter Schools	33,978	53,095	87,073	87,073	-
<b>Total General Fund Expenditures</b>	<b>21,383,465</b>	<b>69,136</b>	<b>21,452,601</b>	<b>23,503,730</b>	<b>(2,051,129)</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(194,814)	(69,136)	(263,950)	305,088	569,038
Other Financing Sources (Uses)					
Transfers In	-	-	-	7,971	7,971
Capital Reserve - Transfer to Capital Projects	-	-	-	(50,000)	(50,000)
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(42,029)</b>	<b>(42,029)</b>
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(194,814)	(69,136)	(263,950)	263,059	527,009
Fund Balance, Beginning of Year	2,248,763	-	2,248,763	2,248,763	-
Fund Balance, End of Year	<b>\$ 2,053,949</b>	<b>\$ (69,136)</b>	<b>\$ 1,984,813</b>	<b>\$ 2,511,822</b>	<b>\$ 527,009</b>
<b>Recapitulation of Fund Balance</b>					
Restricted					
Capital Reserve				\$ 1,252,809	
Maintenance Reserve				200,000	
Maintenance Reserve - Designated for Subsequent Year's Budget				200,000	
Assigned					
Encumbrances				56,472	
Designated for Subsequent Year's Budget				273,642	
Unassigned				528,899	
<b>Fund Balance - Budgetary Basis</b>				<b>2,511,822</b>	
<b>Reconciliation to Governmental Fund Statements (GAAP)</b>					
2018/19 State Aid Payments Not Recognized on a GAAP Basis					
				(364,719)	
<b>Fund Balance per Governmental Funds (GAAP)</b>				<b>\$ 2,147,103</b>	



**WOOD-RIDGE BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**EXHIBIT C-2**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Federal Sources	\$ 325,725	\$ 127,615	\$ 453,340	\$ 401,634	\$ (51,706)
Local Sources	4,000	12,552	16,552	8,171	(8,381)
Total Revenues	<u>329,725</u>	<u>140,167</u>	<u>469,892</u>	<u>409,805</u>	<u>(60,087)</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	41,250	9,390	50,640	39,922	10,718
Purchased Technical Services	12,524	(693)	11,831	11,831	-
Other Purchased Services	218,602	60,227	278,829	278,829	-
General Supplies	34,601	28,184	62,785	42,028	20,757
Other Objects	-	184	184	184	-
Total Instruction	<u>306,977</u>	<u>97,292</u>	<u>404,269</u>	<u>372,794</u>	<u>31,475</u>
Support Services					
Salaries of Teachers		3,000	3,000		3,000
Personnel Services - Employee Benefits	2,020	1,503	3,523	2,792	731
Purchased Professional Educational Services	4,800	27,400	32,200	23,899	8,301
Other Purchased Services	15,928	10,836	26,764	9,820	16,944
Supplies and Materials		2,636	2,636	-	2,636
Other Objects	-	500	500	500	-
Total Support Services	<u>22,748</u>	<u>42,875</u>	<u>65,623</u>	<u>37,011</u>	<u>28,612</u>
Total Expenditures	<u>329,725</u>	<u>140,167</u>	<u>469,892</u>	<u>409,805</u>	<u>60,087</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b>Sources/Inflows of Resources</b>		
Actual Revenues (budgetary basis)	(C-1) \$ 23,808,818	(C-2) \$ 409,805
Difference - Budget to GAAP		
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2017/2018)	339,682	
State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2018/2019)	<u>(364,719)</u>	<u>-</u>
Total Revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>23,783,781</u>	\$ <u>409,805</u>
<b>Uses/Outflows of Resources</b>		
Actual Expenditures (budgetary basis)	(C-1) \$ 23,503,730	(C-2) \$ 409,805
Total Expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>23,503,730</u>	(B-2) \$ <u>409,805</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**WOOD-RIDGE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

**Last Six Fiscal Years\*  
(Dollar amounts in thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.02255%	0.02346%	0.02239%	0.02044%	0.02072%	0.01934%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 4,440,742	\$ 5,460,137	\$ 6,631,124	\$ 4,587,556	\$ 3,879,562	\$ 3,695,473
District's Covered-Employee Payroll	\$ 1,600,135	\$ 1,623,792	\$ 1,613,426	\$ 1,514,880	\$ 1,398,296	\$ 1,372,127
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	277.52%	336.26%	411.00%	302.83%	277.45%	269.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WOOD-RIDGE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

**Last Six Fiscal Years  
(Dollar amounts in thousands)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 224,338	\$ 217,293	\$ 198,905	\$ 175,698	\$ 170,822	\$ 145,692
Contributions in Relation to the Contractually Required Contribution	<u>224,338</u>	<u>217,293</u>	<u>198,905</u>	<u>175,698</u>	<u>170,822</u>	<u>145,692</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 1,600,135	\$ 1,623,792	\$ 1,613,426	\$ 1,514,880	\$ 1,398,296	\$ 1,372,127
Contributions as a Percentage of Covered-Employee Payroll	14.02%	13.38%	12.33%	11.60%	12.22%	10.62%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WOOD-RIDGE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

**Last Six Fiscal Years\***  
(Dollar amounts in thousands)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	\$ 44,270,868	\$ 42,505,241	\$ 51,352,360	\$ 40,847,232	\$ 34,876,694	\$ 33,460,241
District's Covered-Employee Payroll	\$ 7,730,278	\$ 7,355,263	\$ 6,982,049	\$ 6,506,806	\$ 6,515,653	\$ 6,311,781
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	572.69%	577.89%	735.49%	627.76%	535.28%	530.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WOOD-RIDGE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Change of Benefit Terms:** None.

**Change of Assumptions:** Assumptions used in calculating the net pension liability and statutorily required employer contributions are presented in Note 5D.

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

**POSTEMPLOYMENT HEALTH BENEFIT PLAN**

**Last Two Fiscal Years\***

	<u>2019</u>	<u>2018</u>
Service Cost	\$ 1,268,183	\$ 1,521,067
Interest on the Total OPEB Liability	1,253,234	1,084,204
Differences Between Expected and Actual Experience	(2,031,692)	
Changes of Assumptions	(3,482,820)	(4,508,624)
Gross Benefit Payments	(811,550)	(898,417)
Contribution from the Member	<u>28,048</u>	<u>33,082</u>
Net Change in Total OPEB Liability	(3,776,597)	(2,768,688)
Total OPEB Liability - Beginning of Year	<u>34,126,649</u>	<u>36,895,337</u>
Total OPEB Liability - End of Year	<u>\$ 30,350,052</u>	<u>\$ 34,126,649</u>
District's Proportionate Share	\$0	\$0
State's Proportionate Share	<u>\$ 30,350,052</u>	<u>\$ 34,126,649</u>
Total OPEB Liability - End of Year	<u>\$ 30,350,052</u>	<u>\$ 34,126,649</u>
<b>Covered-Employee Payroll</b>	<b>\$ 9,330,413</b>	<b>\$ 8,979,055</b>
<b>Total OPEB Liability as a Percentage of</b>		
<b>Covered-Employee Payroll:</b>	<b>325.28%</b>	<b>380.07%</b>

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

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

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



**WOOD-RIDGE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability are presented in Note 5E.

**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

**WOOD-RIDGE BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<b>IDEA Part B- Basic</b>	<b>IDEA Pre- School</b>	<b>Title IA</b>	<b>Title IIA</b>	<b>Title III</b>	<b>Title III Immigrant</b>	<b>Title IV</b>	<b>Other Local Projects</b>	<b>Total</b>
<b>REVENUES</b>									
Intergovernmental									
Federal	\$ 266,960	\$ 11,869	\$ 83,788	\$ 14,559	\$ 8,636	\$ 2,000	\$ 13,822		\$ 401,634
Local	-	-	-	-	-	-	-	\$ 8,171	8,171
Total Revenues	<u>\$ 266,960</u>	<u>\$ 11,869</u>	<u>\$ 83,788</u>	<u>\$ 14,559</u>	<u>\$ 8,636</u>	<u>\$ 2,000</u>	<u>\$ 13,822</u>	<u>\$ 8,171</u>	<u>\$ 409,805</u>
<b>EXPENDITURES</b>									
Instruction									
Salaries of Teachers			\$ 34,183		\$ 1,139			\$ 4,600	\$ 39,922
Purchased Technical Services							\$ 11,831		11,831
Other Purchased Services	\$ 266,960	\$ 11,869							278,829
General Supplies			29,740		7,410		1,991	2,887	42,028
Other Objects	-	-	-	-	-	-	-	184	184
Total Instruction	<u>266,960</u>	<u>11,869</u>	<u>63,923</u>	<u>-</u>	<u>8,549</u>	<u>-</u>	<u>13,822</u>	<u>7,671</u>	<u>372,794</u>
Support Services									
Personnel Services - Employee Benefits			2,705		87				2,792
Purchased Professional Educational Services			17,160	\$ 4,739		\$ 2,000			23,899
Other Purchased Services				9,820					9,820
Other Objects	-	-	-	-	-	-	-	500	500
Total Support Services	<u>-</u>	<u>-</u>	<u>19,865</u>	<u>14,559</u>	<u>87</u>	<u>2,000</u>	<u>-</u>	<u>500</u>	<u>37,011</u>
Total Expenditures	<u>\$ 266,960</u>	<u>\$ 11,869</u>	<u>\$ 83,788</u>	<u>\$ 14,559</u>	<u>\$ 8,636</u>	<u>\$ 2,000</u>	<u>\$ 13,822</u>	<u>\$ 8,171</u>	<u>\$ 409,805</u>

**CAPITAL PROJECTS FUND**

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Year</u>	<u>Project</u>	<u>Appropriation</u>	<u>Appropriation Modifications</u>	<u>Modified Appropriation</u>	<u>Expenditures to Date</u>		<u>Transfer to General Fund</u>	<u>Cancelled</u>	<u>Balance, June 30, 2019</u>
					<u>Prior Year</u>	<u>Current Year</u>			
2017	High School Cafeteria Improvements	\$ 118,050	\$ 110,000	\$ 228,050	\$ 116,429	\$ 103,650	\$ 7,971		
<b><u>2014 Referendum</u></b>									
2015	Ostrovsky Middle School Gymnasium HVAC	678,000		678,000	520,230	859		\$ 69,948	\$ 86,963
2015	Ostrovsky Middle School Window Replacement	759,200		759,200	716,128	2,600		21,867	18,605
2015	Ostrovsky Middle School HVAC	1,690,500	(10,000)	1,680,500	1,312,326	30,577		184,796	152,801
2015	Doyle HVAC	2,550,100	300,000	2,850,100	2,527,490	-		296,005	26,605
2015	Doyle Window Replacement	584,700		584,700	502,855	-		40,589	41,256
2015	High School Window Replacement	1,109,700	110,000	1,219,700	1,208,593	-			11,107
2015	High School Facility Improvements (Science Labs, Exterior Doors and Security Door Access)	1,314,613	275,000	1,589,613	1,531,697	4,775			53,141
2015	High School HVAC	3,733,800	(385,000)	3,348,800	2,770,611	48,225		404,665	125,299
2015	Doyle Facility Improvements (Boiler, Exterior Doors, Security Door Access and Roof)	1,037,650	(300,000)	737,650	364,237	-			373,413
2015	Ostrovsky Facility Improvements (Gymnasium Divider, Exterior Doors, Security Door Access and Roof)	361,650	10,000	371,650	367,474	-			4,176
		<u>\$ 13,937,963</u>	<u>\$ 110,000</u>	<u>\$ 14,047,963</u>	<u>\$ 11,938,070</u>	<u>\$ 190,686</u>	<u>\$ 7,971</u>	<u>\$ 1,017,870</u>	<u>\$ 893,366</u>

**Reconciliation to GAAP Basis:**

Fund Balance, June 30, 2019 - Budgetary Basis	\$ 893,366
Less:	
Unearned Revenue - SDA Grants	(148,868)
Bonds Authorized But Not Issued - 2014 Referendum	(513)
Fund Balance, June 30, 2019 - GAAP Basis	<u>\$ 743,985</u>

**Analysis of Balance**

Year End Encumbrances	\$ 4,872
Available for Capital Projects	<u>739,113</u>
	<u>\$ 743,985</u>

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Revenues and Other Financing Sources**

State Sources - SDA Grant	\$ 4,483
Transfer from Capital Reserve	<u>50,000</u>
 Total Revenues and Other Financing Sources	 <u>54,483</u>

**Expenditures and Other Financing Uses**

Purchased Professional and Technical Services	7,488
Construction Services	178,423
Other Objects	4,775
Transfers to General Fund	<u>7,971</u>
 Total Expenditures and Other Financing Uses	 <u>198,657</u>

Excess (Deficit) of Revenues Over (Under) Expenditures	(144,174)
 Fund Balance, July 1, 2018	 <u>1,037,027</u>
 Fund Balance, June 30, 2019	 <u>\$ 892,853</u>

Reconciliation to GAAP Basis:

Fund Balance, June 30, 2019 - Budgetary Basis	\$ 892,853
Less: Unearned Revenue - SDA Grants	<u>(148,868)</u>
 Fund Balance, June 30, 2019 - GAAP Basis	 <u>\$ 743,985</u>

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL CAFETERIA IMPROVEMENTS  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Local Contributions	\$ 18,050		\$ 18,050	\$ 18,050
Transfer from Capital Reserve	<u>160,000</u>	<u>\$ 50,000</u>	<u>210,000</u>	<u>210,000</u>
 Total Revenues and Other Financing Sources	 <u>178,050</u>	 <u>50,000</u>	 <u>228,050</u>	 <u>228,050</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services			-	10,000
Construction Services	116,429	103,650	220,079	218,050
Transfer to Capital Reserve - General Fund	<u>-</u>	<u>7,971</u>	<u>7,971</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>116,429</u>	 <u>111,621</u>	 <u>228,050</u>	 <u>228,050</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ 61,621</u>	 <u>\$ (61,621)</u>	 <u>\$ -</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 118,050
Authorized Cost Adjustments	\$ 110,000
Revised Authorized Cost	\$ 228,050
Percentage Increase Over Original Authorized Cost	93.18%
Percentage Completion	100.00%
Original Target Completion Date	December 2017
Revised Target Completion Date	October 2018



**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
SUMMARY OF 2014 REFERENDUM PROJECTS  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 3,420,047	\$ 4,483	\$ 3,424,530	\$ 4,442,400
Capital Reserve	1,500,000		1,500,000	-
Bond Proceeds	<u>9,377,000</u>	<u>-</u>	<u>9,377,000</u>	<u>9,377,513</u>
 Total Revenues and Other Financing Sources	 <u>14,297,047</u>	 <u>4,483</u>	 <u>14,301,530</u>	 <u>13,819,913</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	1,393,953	7,488	1,401,441	1,508,613
Construction Services	10,252,673	74,773	10,327,446	12,275,300
Equipment			-	-
Supplies and Materials	96,896	-	96,896	
Other Objects	78,119	4,775	82,894	36,000
Transfer to Capital Reserve - General Fund	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>13,321,641</u>	 <u>87,036</u>	 <u>13,408,677</u>	 <u>13,819,913</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ 975,406</u>	 <u>\$ (82,553)</u>	 <u>\$ 892,853</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	See Exhibits F-2c to F-2l
Grant Date	See Exhibits F-2c to F-2l
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 9,377,513
Bonds Issued	\$ 9,377,000
Original Authorized Cost	\$ 13,819,913
Revised Authorized Cost	\$ 13,819,913
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	97.02%
Original Target Completion Date	June 2017
Revised Target Completion Date	July 2019

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
OSTROVSKY MIDDLE SCHOOL GYMNASIUM HVAC  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 201,252		\$ 201,252	\$ 271,200
Capital Reserve	65,071		65,071	
Bond Proceeds	<u>406,778</u>	<u>-</u>	<u>406,778</u>	<u>406,800</u>
 Total Revenues and Other Financing Sources	 <u>673,101</u>	 <u>-</u>	 <u>673,101</u>	 <u>678,000</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	54,808	\$ 859	55,667	70,000
Construction Services	463,633		463,633	605,000
Other Objects	1,789		1,789	3,000
Transfer to Capital Reserve - General Fund	<u>65,071</u>	<u>-</u>	<u>65,071</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>585,301</u>	 <u>859</u>	 <u>586,160</u>	 <u>678,000</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ 87,800</u>	 <u>\$ (859)</u>	 <u>\$ 86,941</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-070-14-1009
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 406,800
Bonds Issued	\$ 406,778
Original Authorized Cost	\$ 678,000
Revised Authorized Cost	\$ 678,000

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	76.86%
Original Target Completion Date	June 2017
Revised Target Completion Date	June 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
OSTROVSKY MIDDLE SCHOOL WINDOW REPLACEMENT  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 281,813		\$ 281,813	\$ 303,680
Capital Reserve	72,864		72,864	-
Bond Proceeds	455,495	-	455,495	455,520
	<u>810,172</u>	<u>-</u>	<u>810,172</u>	<u>759,200</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	73,141		73,141	72,000
Construction Services	642,630	\$ 2,600	645,230	684,200
Other Objects	357		357	3,000
Transfer to Capital Reserve - General Fund	72,864	-	72,864	-
	<u>788,992</u>	<u>2,600</u>	<u>791,592</u>	<u>759,200</u>
Excess (Deficit) of Revenue Over Expenditures	<u>\$ 21,180</u>	<u>\$ (2,600)</u>	<u>\$ 18,580</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5830-070-14-1010
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 455,520
Bonds Issued	\$ 455,495
Original Authorized Cost	\$ 759,200
Revised Authorized Cost	\$ 759,200
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	94.67%
Original Target Completion Date	September 2016
Revised Target Completion Date	June 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
OSTROVSKY MIDDLE SCHOOL HVAC  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 491,404		\$ 491,404	\$ 676,200
Capital Reserve	162,244		162,244	
Bond Proceeds	<u>1,014,245</u>	<u>-</u>	<u>1,014,245</u>	<u>1,014,300</u>
 Total Revenues and Other Financing Sources	 <u>1,667,893</u>	 <u>-</u>	 <u>1,667,893</u>	 <u>1,690,500</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	187,214	\$ 74	187,288	175,000
Construction Services	1,124,129	30,503	1,154,632	1,512,500
Other Objects	983		983	3,000
Transfer to Ostrovsky Facility Improvements		10,000	10,000	
Transfer to Capital Reserve - General Fund	<u>162,244</u>	<u>-</u>	<u>162,244</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>1,474,570</u>	 <u>40,577</u>	 <u>1,515,147</u>	 <u>1,690,500</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ 193,323</u>	 <u>\$ (40,577)</u>	 <u>\$ 152,746</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-070-14-1008
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 1,014,300
Bonds Issued	\$ 1,014,245
Original Authorized Cost	\$ 1,690,500
Revised Authorized Cost	\$ 1,690,500
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	79.44%
Original Target Completion Date	June 2017
Revised Target Completion Date	June 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
DOYLE HVAC  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 724,035		\$ 724,035	\$ 1,020,040
Capital Reserve	244,744		244,744	
Transfer from Doyle Facility Improvements		\$ 300,000	300,000	
Bond Proceeds	<u>1,529,976</u>	<u>-</u>	<u>1,529,976</u>	<u>1,530,060</u>
 Total Revenues and Other Financing Sources	 <u>2,498,755</u>	 <u>300,000</u>	 <u>2,798,755</u>	 <u>2,550,100</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	235,194		235,194	258,000
Construction Services	2,287,565		2,287,565	2,289,100
Other Objects	4,731		4,731	3,000
Transfer to Capital Reserve - General Fund	<u>244,744</u>	<u>-</u>	<u>244,744</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>2,772,234</u>	 <u>-</u>	 <u>2,772,234</u>	 <u>2,550,100</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ (273,479)</u>	 <u>\$ 300,000</u>	 <u>\$ 26,521</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-060-14-1007
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 1,530,060
Bonds Issued	\$ 1,529,976
Original Authorized Cost	\$ 2,550,100
Revised Authorized Cost	\$ 2,550,100

## Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	99.11%
Original Target Completion Date	June 2017
Revised Target Completion Date	June 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
DOYLE WINDOW REPLACEMENT  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 193,291		\$ 193,291	\$ 233,880
Capital Reserve	56,116		56,116	
Bond Proceeds	<u>350,801</u>	<u>-</u>	<u>350,801</u>	<u>350,820</u>
Total Revenues and Other Financing Sources	<u>600,208</u>	<u>-</u>	<u>600,208</u>	<u>584,700</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	57,625		57,625	57,000
Construction Services	434,767		434,767	524,700
Other Objects	10,463		10,463	3,000
Transfer to Capital Reserve - General Fund	<u>56,116</u>	<u>-</u>	<u>56,116</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>558,971</u>	<u>-</u>	<u>558,971</u>	<u>584,700</u>
Excess (Deficit) of Revenue Over Expenditures	<u>\$ 41,237</u>	<u>\$ -</u>	<u>\$ 41,237</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5830-060-14-1005
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 350,820
Bonds Issued	\$ 350,801
Original Authorized Cost	\$ 584,700
Revised Authorized Cost	\$ 584,700

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	86.00%
Original Target Completion Date	September 2016
Revised Target Completion Date	September 2017

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL WINDOW REPLACEMENT  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant	\$ 439,397	\$ 4,483	\$ 443,880	\$ 443,880
Capital Reserve	106,503		106,503	
Transfer from High School HVAC		110,000	110,000	
Bond Proceeds	<u>665,784</u>	<u>-</u>	<u>665,784</u>	<u>665,820</u>
 Total Revenues and Other Financing Sources	 <u>1,211,684</u>	 <u>114,483</u>	 <u>1,326,167</u>	 <u>1,109,700</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	113,934		113,934	103,500
Construction Services	1,094,137		1,094,137	1,003,200
Other Objects	522		522	3,000
Transfer to Capital Reserve - General Fund	<u>106,503</u>	<u>-</u>	<u>106,503</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>1,315,096</u>	 <u>-</u>	 <u>1,315,096</u>	 <u>1,109,700</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ (103,412)</u>	 <u>\$ 114,483</u>	 <u>\$ 11,071</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-050-14-1004
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 665,820
Bonds Issued	\$ 665,784
Original Authorized Cost	\$ 1,109,700
Revised Authorized Cost	\$ 1,109,700

## Percentage Increase Over Original

Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	September 2016
Revised Target Completion Date	September 2017

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL FACILITY IMPROVEMENTS (SCIENCE LABS, EXTERIOR DOORS AND SECURITY DOOR ACCESS)  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Capital Reserve	\$ 210,282		\$ 210,282	
Transfer from High School HVAC		\$ 275,000	275,000	
Bond Proceeds	<u>1,314,541</u>	<u>-</u>	<u>1,314,541</u>	<u>\$ 1,314,613</u>
 Total Revenues and Other Financing Sources	 <u>1,524,823</u>	 <u>275,000</u>	 <u>1,799,823</u>	 <u>1,314,613</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	143,345		143,345	210,113
Construction Services	1,242,685		1,242,685	1,099,500
Supplies and Materials	96,896		96,896	
Other Objects	48,771	4,775	53,546	5,000
Transfer to Capital Reserve - General Fund	<u>210,282</u>	<u>-</u>	<u>210,282</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>1,741,979</u>	 <u>4,775</u>	 <u>1,746,754</u>	 <u>1,314,613</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ (217,156)</u>	 <u>\$ 270,225</u>	 <u>\$ 53,069</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-050-14-2000
Grant Date	August 29, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 1,314,613
Bonds Issued	\$ 1,314,541
Original Authorized Cost	\$ 1,314,613
Revised Authorized Cost	\$ 1,314,613

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	June 2017
Revised Target Completion Date	June 2018



**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL HVAC  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SDA Grant (40%)	\$ 1,088,855		\$ 1,088,855	\$ 1,493,520
Capital Reserve	358,349		358,349	
Bond Proceeds	<u>2,240,157</u>	<u>-</u>	<u>2,240,157</u>	<u>2,240,280</u>
 Total Revenues and Other Financing Sources	 <u>3,687,361</u>	 <u>-</u>	 <u>3,687,361</u>	 <u>3,733,800</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	406,483	\$ 6,555	413,038	398,000
Construction Services	2,354,304	41,670	2,395,974	3,332,800
Other Objects	9,824		9,824	3,000
Transfer to High School Facility Improvements		275,000	275,000	
Transfer to High School Window Replacement		110,000	110,000	
Transfer to Capital Reserve - General Fund	<u>358,349</u>	<u>-</u>	<u>358,349</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>3,128,960</u>	 <u>433,225</u>	 <u>3,562,185</u>	 <u>3,733,800</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ 558,401</u>	 <u>\$ (433,225)</u>	 <u>\$ 125,176</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-050-14-1001
Grant Date	January 6, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 2,240,280
Bonds Issued	\$ 2,240,157
Original Authorized Cost	\$ 3,733,800
Revised Authorized Cost	\$ 3,733,800
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	75.50%
Original Target Completion Date	June 2017
Revised Target Completion Date	December 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
DOYLE FACILITY IMPROVEMENTS (BOILER, EXTERIOR DOORS, SECURITY DOOR ACCESS AND ROOF)  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Capital Reserve	\$ 165,979		\$ 165,979	
Bond Proceeds	1,037,593	-	1,037,593	\$ 1,037,650
	<hr/>	<hr/>	<hr/>	
Total Revenues and Other Financing Sources	1,203,572	-	1,203,572	1,037,650
	<hr/>	<hr/>	<hr/>	
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	91,137		91,137	123,500
Construction Services	272,591		272,591	909,150
Other Objects	509		509	5,000
Transfer to Doyle HVAC		\$ 300,000	300,000	
Transfer to Capital Reserve - General Fund	165,979	-	165,979	-
	<hr/>	<hr/>	<hr/>	
Total Expenditures and Other Financing Uses	530,216	300,000	830,216	1,037,650
	<hr/>	<hr/>	<hr/>	
Excess (Deficit) of Revenue Over Expenditures	<u>\$ 673,356</u>	<u>\$ (300,000)</u>	<u>\$ 373,356</u>	<u>\$ -</u>

**Additional Project Information:**

Project Number	5830-060-14-1000
Grant Date	July 28, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 1,037,650
Bonds Issued	\$ 1,037,593
Original Authorized Cost	\$ 1,037,650
Revised Authorized Cost	\$ 1,037,650
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	35.10%
Original Target Completion Date	June 2017
Revised Target Completion Date	June 2018

**WOOD-RIDGE BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
OSTROVSKY MIDDLE SCHOOL FACILITY IMPROVEMENTS (GYMNASIUM DIVIDER, EXTERIOR DOORS,  
SECURITY DOOR ACCESS AND ROOF)  
FROM INCEPTION THROUGH THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Capital Reserve	\$ 57,848		\$ 57,848	
Transfer from Ostrovsky Middle School HVAC		\$ 10,000	10,000	
Bond Proceeds	<u>361,630</u>	<u>-</u>	<u>361,630</u>	<u>\$ 361,650</u>
 Total Revenues and Other Financing Sources	 <u>419,478</u>	 <u>10,000</u>	 <u>429,478</u>	 <u>361,650</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	31,072		31,072	41,500
Construction Services	336,232		336,232	315,150
Other Objects	170		170	5,000
Transfer to Capital Reserve - General Fund	<u>57,848</u>	<u>-</u>	<u>57,848</u>	<u>-</u>
 Total Expenditures and Other Financing Uses	 <u>425,322</u>	 <u>-</u>	 <u>425,322</u>	 <u>361,650</u>
 Excess (Deficit) of Revenue Over Expenditures	 <u>\$ (5,844)</u>	 <u>\$ 10,000</u>	 <u>\$ 4,156</u>	 <u>\$ -</u>

**Additional Project Information:**

Project Number	5830-070-14-2000
Grant Date	August 29, 2014
Bond Authorization Date	September 30, 2014
Bonds Authorized	\$ 361,650
Bonds Issued	\$ 361,630
Original Authorized Cost	\$ 361,650
Revised Authorized Cost	\$ 361,650
 Percentage Increase Over Original Authorized Cost	 0.00%
Percentage Completion	100.00%
Original Target Completion Date	September 2016
Revised Target Completion Date	September 2017

**ENTERPRISE FUNDS**

**WOOD-RIDGE BOARD OF EDUCATION  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-4

**COMBINING STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-5

**COMBINING STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENTS ARE PRESENTED ON EXHIBIT B-6

**FIDUCIARY FUNDS**

**WOOD-RIDGE BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
AS OF JUNE 30, 2019**

	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 147,344	\$ 64,323	\$ 211,667
Total Assets	<u>\$ 147,344</u>	<u>\$ 64,323</u>	<u>\$ 211,667</u>
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings		\$ 20,186	\$ 20,186
Accrued Salaries and Wages		431	431
Reserve for Flexible Spending		17,296	17,296
Due to Other Funds		26,410	26,410
Due to Student Groups	\$ 147,344	-	147,344
Total Liabilities	<u>\$ 147,344</u>	<u>\$ 64,323</u>	<u>\$ 211,667</u>

**WOOD-RIDGE BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8



**WOOD-RIDGE BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Balance July 1, 2018</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2019</u>
Student Activities Account	\$ 132,570	\$ 270,198	\$ 257,883	\$ 144,885
Athletic Account	<u>2,427</u>	<u>41,406</u>	<u>41,374</u>	<u>2,459</u>
Total	<u>\$ 134,997</u>	<u>\$ 311,604</u>	<u>\$ 299,257</u>	<u>\$ 147,344</u>

**PAYROLL AGENCY FUND  
STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Balance, July 1, 2018</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2019</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 51,485	\$ 12,703,063	\$ 12,690,225	\$ 64,323
Due From Other Funds	<u>1,462</u>	<u>-</u>	<u>1,462</u>	<u>-</u>
	<u>\$ 52,947</u>	<u>\$ 12,703,063</u>	<u>\$ 12,691,687</u>	<u>\$ 64,323</u>
<b>LIABILITIES</b>				
Payroll Deductions and Withholdings	\$ 12,617	\$ 5,450,751	\$ 5,443,182	\$ 20,186
Accrued Salaries and Wages	19,680	7,206,840	7,226,089	431
Reserve for Flexible Spending	20,650	19,062	22,416	17,296
Due To Other Funds	<u>-</u>	<u>26,410</u>	<u>-</u>	<u>26,410</u>
	<u>\$ 52,947</u>	<u>\$ 12,703,063</u>	<u>\$ 12,691,687</u>	<u>\$ 64,323</u>

**LONG-TERM DEBT**

**WOOD-RIDGE BOARD OF EDUCATION  
SCHEDULE OF BONDS PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2018</u>	<u>Retired</u>	<u>Balance, June 30, 2019</u>
			<u>Date</u>	<u>Amount</u>				
School Refunding Bonds	1/13/2013	\$ 4,450,000	7/15/2019	\$ 390,000	3.00			
			7/15/2020	400,000	3.00			
			7/15/2021	415,000	3.00			
			7/15/2022	430,000	3.00			
			7/15/2023	445,000	3.00			
			7/15/2024	455,000	3.00			
			7/15/2025	460,000	3.00	\$ 3,370,000	\$ 375,000	\$ 2,995,000
School Bonds	10/3/2017	9,377,000	9/15/2019	302,000	2.00			
			9/15/2020	310,000	2.00			
			9/15/2021	325,000	2.00			
			9/15/2022	335,000	2.00			
			9/15/2023	350,000	2.00			
			9/15/2024	360,000	2.00			
			9/15/2025	370,000	2.00			
			9/15/2026	600,000	2.00			
			9/15/2027	600,000	2.25			
			9/15/2028	600,000	3.00			
			9/15/2029	600,000	3.00			
			9/15/2030	600,000	3.00			
			9/15/2031	600,000	3.00			
			9/15/2032	600,000	3.00			
			9/15/2033	600,000	3.00			
			9/15/2034	600,000	3.00			
			9/15/2035	600,000	3.00			
			9/15/2036	525,000	3.00			
			9/15/2037	500,000	3.00			
						<u>9,377,000</u>	<u>-</u>	<u>9,377,000</u>
						<u>\$ 12,747,000</u>	<u>\$ 375,000</u>	<u>\$ 12,372,000</u>

**WOOD-RIDGE BOARD OF EDUCATION  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOT APPLICABLE**

**WOOD-RIDGE BOARD OF EDUCATION  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 723,955		\$ 723,955	\$ 723,955	
State Source					
Debt Service Aid	35,285		35,285	35,285	
Total Revenues	<u>759,240</u>	<u>-</u>	<u>759,240</u>	<u>759,240</u>	<u>-</u>
<b>EXPENDITURES</b>					
Debt Service					
Principal	375,000		375,000	375,000	
Interest	454,046	-	454,046	454,046	-
Total Expenditures	<u>829,046</u>	<u>-</u>	<u>829,046</u>	<u>829,046</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(69,806)</u>	<u>-</u>	<u>(69,806)</u>	<u>(69,806)</u>	<u>-</u>
Net Change in Fund Balance	(69,806)	-	(69,806)	(69,806)	-
Fund Balance, Beginning of Year	<u>69,806</u>	<u>-</u>	<u>69,806</u>	<u>69,806</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATISTICAL SECTION  
(UNAUDITED)**

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

**Contents**

**Exhibits**

**Financial Trends**

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

J-1 to J-5

**Revenue Capacity**

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

J-6 to J-9

**Debt Capacity**

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

J-10 to J-13

**Demographic and Economic Information**

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

J-14 and J-15

**Operating Information**

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

J-16 to J-20

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

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
					(Restated)				(Restated)	
<b>Governmental Activities</b>										
Investment in Capital Assets	\$ 3,103,792	\$ 3,326,196	\$ 3,514,848	\$ 4,070,016	\$ 4,097,324	\$ 5,653,064	\$ 11,526,293	\$ 15,858,968	\$ 10,752,690	\$ 10,083,685
Restricted	2,528,549	2,496,890	2,751,211	2,194,170	3,918,885	1,960,762	1,708,974	1,670,471	1,535,455	1,652,809
Unrestricted	(178,669)	26,066	96,285	13,360	(3,655,448)	(3,373,767)	(7,527,099)	(11,919,230)	(4,667,009)	(4,824,519)
<b>Total Governmental Activities Net Position</b>	<b>\$ 5,453,672</b>	<b>\$ 5,849,152</b>	<b>\$ 6,362,344</b>	<b>\$ 6,277,546</b>	<b>\$ 4,360,761</b>	<b>\$ 4,240,059</b>	<b>\$ 5,708,168</b>	<b>\$ 5,610,209</b>	<b>\$ 7,621,136</b>	<b>\$ 6,911,975</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 2,578	\$ 1,916	\$ 23,709	\$ 22,849	\$ 25,718	\$ 22,195	\$ 18,672	\$ 23,815	\$ 19,224	\$ 14,837
Unrestricted	60,052	66,434	30,816	26,581	25,713	20,871	34,272	56,063	80,546	94,711
<b>Total Business-Type Activities Net Position</b>	<b>\$ 62,630</b>	<b>\$ 68,350</b>	<b>\$ 54,525</b>	<b>\$ 49,430</b>	<b>\$ 51,431</b>	<b>\$ 43,066</b>	<b>\$ 52,944</b>	<b>\$ 79,878</b>	<b>\$ 99,770</b>	<b>\$ 109,548</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 3,106,370	\$ 3,328,112	\$ 3,538,557	\$ 4,092,865	\$ 4,123,042	\$ 5,675,259	\$ 11,544,965	\$ 15,882,783	\$ 10,771,914	\$ 10,098,522
Restricted	2,528,549	2,496,890	2,751,211	2,194,170	3,918,885	1,960,762	1,708,974	1,670,471	1,535,455	1,652,809
Unrestricted (Deficit)	(118,617)	92,500	127,101	39,941	(3,629,735)	(3,352,896)	(7,492,827)	(11,863,167)	(4,586,463)	(4,729,808)
<b>Total District Net Position</b>	<b>\$ 5,516,302</b>	<b>\$ 5,917,502</b>	<b>\$ 6,416,869</b>	<b>\$ 6,326,976</b>	<b>\$ 4,412,192</b>	<b>\$ 4,283,125</b>	<b>\$ 5,761,112</b>	<b>\$ 5,690,087</b>	<b>\$ 7,720,906</b>	<b>\$ 7,021,523</b>

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

Source: District's financial statements

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

	Fiscal Year Ended June 30,										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>											
<b>Governmental Activities</b>											
Instruction	\$ 7,658,207	\$ 8,008,182	\$ 7,666,644	\$ 7,743,091	\$ 7,712,716	\$ 8,240,879	\$ 10,696,906				
Regular								\$ 9,062,055	\$ 9,973,941	\$ 10,137,910	\$ 10,386,046
Special Education								4,846,677	5,420,002	5,972,224	5,663,524
Other Instruction								440,860	509,460	431,526	414,578
School Sponsored Activities And Athletics								600,628	706,810	630,485	628,469
Support Services:											
Tuition	1,674,339	1,755,468	2,146,309	2,438,919	2,872,922	3,295,406	3,239,564				
Student & Instruction Related Services	1,612,269	1,781,973	1,847,454	1,816,489	1,986,337	2,204,080	2,680,711	2,837,800	3,022,317	3,349,914	3,227,461
General Administrative Services	467,108	506,152	435,980	510,635	503,476	614,242	864,169	818,285	850,764	834,148	874,839
School Administrative Services	736,746	706,934	772,819	817,217	1,012,327	986,951	1,211,279	1,175,087	1,401,041	1,598,397	1,606,842
Central Services	307,367	324,204	325,703	338,875	352,975	363,566	430,455	680,796	788,960	927,667	713,107
Administrative Information Technology	113,534	118,893	154,345	151,831	154,031	165,977	167,076				
Plant Operations And Maintenance	1,654,393	1,571,446	1,501,748	1,521,990	1,574,683	1,666,628	1,531,313	2,239,654	2,600,649	2,890,195	2,930,819
Pupil Transportation	538,802	493,178	519,844	441,156	569,410	609,472	712,044	608,408	782,790	815,929	735,791
Business and Other Support Services	953,213	1,016,854	1,076,657	1,361,521	1,568,004	1,427,267					
Interest On Long-Term Debt	238,604	229,991	221,082	211,820	148,533	117,167	130,840	163,391	109,013	95,557	493,676
Unallocated Depreciation	221,532	224,606	251,864	212,926	242,936	246,648	246,648				
Capital Outlay	10,718		37,056	19,097	37,333	29,575	29,575				
Other - Bond Issuance Costs/Loss on Bond Sale					57,526	140,713					
Transfer to Charter School	-	50,075	49,296	27,658	36,897	62,473	56,186	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>16,186,832</b>	<b>16,787,956</b>	<b>17,006,801</b>	<b>17,613,225</b>	<b>18,830,106</b>	<b>20,171,044</b>	<b>21,996,766</b>	<b>23,473,641</b>	<b>26,165,747</b>	<b>27,683,952</b>	<b>27,675,152</b>
<b>Business-Type Activities:</b>											
Food Service	400,845	377,660	381,875	406,185	415,251	392,425	430,064	430,350	412,545	438,531	444,191
<b>Total Business-Type Activities Expense</b>	<b>400,845</b>	<b>377,660</b>	<b>381,875</b>	<b>406,185</b>	<b>415,251</b>	<b>392,425</b>	<b>430,064</b>	<b>430,350</b>	<b>412,545</b>	<b>438,531</b>	<b>444,191</b>
<b>Total District Expenses</b>	<b>\$ 16,587,677</b>	<b>\$ 17,165,616</b>	<b>\$ 17,388,676</b>	<b>\$ 18,019,410</b>	<b>\$ 19,245,357</b>	<b>\$ 20,563,469</b>	<b>\$ 22,426,830</b>	<b>\$ 23,903,991</b>	<b>\$ 26,578,292</b>	<b>\$ 28,122,483</b>	<b>\$ 28,119,343</b>
<b>Program Revenues</b>											
<b>Governmental Activities:</b>											
Charges For Services:	\$ 1,125,316	\$ 1,071,275	\$ 1,208,085	\$ 1,388,926	\$ 1,249,073	\$ 1,164,499	\$ 1,826,417	\$ 1,763,160	\$ 1,757,641	\$ 1,911,034	\$ 1,831,952
Capital Grants and Contributions								2,417,693	844,458	351,942	4,827
Operating Grants and Contributions	403,820	472,003	459,208	415,322	356,575	320,050	4,175,286	4,754,846	6,338,049	7,754,867	6,199,054
<b>Total Governmental Activities Program Revenues</b>	<b>1,529,136</b>	<b>1,543,278</b>	<b>1,667,293</b>	<b>1,804,248</b>	<b>1,605,648</b>	<b>1,484,549</b>	<b>6,001,703</b>	<b>8,935,699</b>	<b>8,940,148</b>	<b>10,017,843</b>	<b>8,035,833</b>
<b>Business-Type Activities:</b>											
Charges For Services											
Food Service	344,491	306,966	299,648	295,931	294,123	291,439	293,568	299,859	293,632	313,367	295,491
Operating Grants And Contributions	73,639	89,828	87,947	96,429	92,617	102,987	128,131	140,369	145,847	145,056	158,478
<b>Total Business Type Activities Program Revenues</b>	<b>418,130</b>	<b>396,794</b>	<b>387,595</b>	<b>392,360</b>	<b>386,740</b>	<b>394,426</b>	<b>421,699</b>	<b>440,228</b>	<b>439,479</b>	<b>458,423</b>	<b>453,969</b>
<b>Total District Program Revenues</b>	<b>\$ 1,947,266</b>	<b>\$ 1,940,072</b>	<b>\$ 2,054,888</b>	<b>\$ 2,196,608</b>	<b>\$ 1,992,388</b>	<b>\$ 1,878,975</b>	<b>\$ 6,423,402</b>	<b>\$ 9,375,927</b>	<b>\$ 9,379,627</b>	<b>\$ 10,476,266</b>	<b>\$ 8,489,802</b>
<b>Net (Expense)/Revenue</b>											
Governmental Activities	\$ (14,657,696)	\$ (15,244,678)	\$ (15,339,508)	\$ (15,808,977)	\$ (17,224,458)	\$ (18,686,495)	\$ (15,995,063)	\$ (14,537,942)	\$ (17,225,599)	\$ (17,666,109)	\$ (19,639,319)
Business-Type Activities	17,285	19,134	5,720	(13,825)	(28,511)	2,001	(8,365)	9,878	26,934	19,892	9,778
<b>Total District-Wide Net Expense</b>	<b>\$ (14,640,411)</b>	<b>\$ (15,225,544)</b>	<b>\$ (15,333,788)</b>	<b>\$ (15,822,802)</b>	<b>\$ (17,252,969)</b>	<b>\$ (18,684,494)</b>	<b>\$ (16,003,428)</b>	<b>\$ (14,528,064)</b>	<b>\$ (17,198,665)</b>	<b>\$ (17,646,217)</b>	<b>\$ (19,629,541)</b>



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

	Fiscal Year Ended June 30,										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Revenues and Other Changes in Net Position</b>											
Governmental Activities:											
Property Taxes Levied for General Purposes, Net	\$ 12,341,718	\$ 12,807,191	\$ 13,563,859	\$ 13,835,136	\$ 14,111,839	\$ 15,141,775	\$ 15,444,610	\$ 15,875,422	\$ 16,304,930	\$ 17,220,119	\$ 17,840,040
Taxes Levied for Debt Service	424,904	396,132	453,918	478,252	205,103	144,562	123,370	127,200	522,679	448,097	723,955
Unrestricted Grants and Contributions	1,963,329	2,103,868	1,577,801	1,888,072	2,283,506	2,215,210	66,645	64,796	73,250	110,743	79,162
Debt Service Aid									9,201	14,202	15,878
Interest and Miscellaneous Income	275,348	215,683	139,410	73,240	203,626	97,139	239,736	123,780	217,580	281,875	271,123
Rents and Royalties						251,368					
Special Item - Sale of Property						2,500,000					
Special Item - Capital Assets Superstorm Sandy	-	-	-	-	335,586	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>15,005,299</b>	<b>15,522,874</b>	<b>15,734,988</b>	<b>16,274,700</b>	<b>17,139,660</b>	<b>20,350,054</b>	<b>15,874,361</b>	<b>16,191,198</b>	<b>17,127,640</b>	<b>18,075,036</b>	<b>18,930,158</b>
Business-Type Activities:											
Investment Earnings	-	-	-	-	23,416	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total District-Wide</b>	<b>\$ 15,005,299</b>	<b>\$ 15,522,874</b>	<b>\$ 15,734,988</b>	<b>\$ 16,274,700</b>	<b>\$ 17,163,076</b>	<b>\$ 20,350,054</b>	<b>\$ 15,874,361</b>	<b>\$ 16,191,198</b>	<b>\$ 17,127,640</b>	<b>\$ 18,075,036</b>	<b>\$ 18,930,158</b>
<b>Change in Net Position</b>											
Governmental Activities	\$ 347,603	\$ 278,196	\$ 395,480	\$ 465,723	\$ (84,798)	\$ 1,663,559	\$ (120,702)	\$ 1,653,256	\$ (97,959)	\$ 408,927	\$ (709,161)
Business-Type Activities	17,285	19,134	5,720	(13,825)	(5,095)	2,001	(8,365)	9,878	26,934	19,892	9,778
<b>Total District Wide</b>	<b>\$ 364,888</b>	<b>\$ 297,330</b>	<b>\$ 401,200</b>	<b>\$ 451,898</b>	<b>\$ (89,893)</b>	<b>\$ 1,665,560</b>	<b>\$ (129,067)</b>	<b>\$ 1,663,134</b>	<b>\$ (71,025)</b>	<b>\$ 428,819</b>	<b>\$ (699,383)</b>

Sources: District's financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,208,621									
Restricted		\$ 1,081,368	\$ 1,344,994	\$ 1,163,783	\$ 3,336,223	\$ 508,951	\$ 1,811,113	\$ 1,600,665	\$ 1,465,649	\$ 1,652,809
Committed		104,265	97,938	47,728						
Assigned		16,408	154,085	104,641	24,250	502,931	424,579	366,766	263,950	330,114
Unassigned		307,398	412,321	308,739	340,037	408,027	205,543	107,205	179,482	164,180
Unreserved	<u>202,327</u>	-	-	-	-	-	-	-	-	-
Total General Fund	<u>\$ 1,410,948</u>	<u>\$ 1,509,439</u>	<u>\$ 2,009,338</u>	<u>\$ 1,624,891</u>	<u>\$ 3,700,510</u>	<u>\$ 1,419,909</u>	<u>\$ 2,441,235</u>	<u>\$ 2,074,636</u>	<u>\$ 1,909,081</u>	<u>\$ 2,147,103</u>
All Other Governmental Funds										
Reserved/Restricted						\$ 1,451,810	\$ (3,969,195)	\$ (7,542,019)	\$ 957,621	\$ 743,985
Unreserved, Reported in:										
Capital Projects Fund	1,290,852	1,179,013	1,179,013	877,681	567,682					
Debt Service Fund	29,076	1,513	1,513	15,317	14,980	1				
Unassigned/(Deficit)	-	-	-	-	-	(245,865)	-	-	-	-
Total All Other Governmental Funds	<u>\$ 1,319,928</u>	<u>\$ 1,180,526</u>	<u>\$ 1,180,526</u>	<u>\$ 892,998</u>	<u>\$ 582,662</u>	<u>\$ 1,205,946</u>	<u>\$ (3,969,195)</u>	<u>\$ (7,542,019)</u>	<u>\$ 957,621</u>	<u>\$ 743,985</u>

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District's financial statements

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

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Tax Levy	\$ 13,203,323	\$ 14,017,777	\$ 14,313,388	\$ 14,316,942	\$ 15,286,337	\$ 15,567,980	\$ 16,002,622	\$ 16,827,609	\$ 17,668,216	\$ 18,563,995
Tuition Charges	1,071,275	1,208,085	1,388,926	1,249,073	1,164,499	1,826,417	1,763,160	1,757,641	1,911,034	1,831,952
Interest Earnings	2,754	1,291	955	1,572	126	398				
Rents and Royalties					251,368	156,060	41,100			
Sale of Property					1,000,000					
Miscellaneous	217,849	147,857	78,446	210,206	107,514	90,982	102,963	241,690	299,803	279,294
State Sources	2,067,158	1,485,053	1,841,412	2,283,506	2,215,210	2,365,307	4,861,543	3,706,100	3,767,526	3,873,191
Federal Sources	503,793	480,915	461,982	348,423	309,549	341,625	384,065	385,432	386,858	409,221
<b>Total Revenue</b>	<b>17,066,152</b>	<b>17,340,978</b>	<b>18,085,109</b>	<b>18,409,722</b>	<b>20,334,603</b>	<b>20,348,769</b>	<b>23,155,453</b>	<b>22,918,472</b>	<b>24,033,437</b>	<b>24,957,653</b>
<b>Expenditures</b>										
Instruction	6,799,791	6,384,469	6,497,134	6,433,075	6,836,872	7,147,837				
Regular Instruction							7,829,286	8,022,531	8,282,095	9,216,125
Special Education Instruction							4,568,623	4,972,332	5,487,032	5,395,702
Other Instruction							378,792	405,587	351,312	368,450
School Sponsored Activities and Athletics							528,412	575,385	532,337	570,622
Support Services										
Tuition	1,755,468	2,146,309	2,438,919	2,872,922	3,295,406	3,239,564				
Student and Inst. Related Services	1,550,394	1,611,251	1,582,299	1,758,434	1,957,784	2,070,393	2,618,755	2,640,822	2,853,602	2,924,895
General Administrative Services	461,530	385,284	455,113	447,064	536,112	501,935	761,737	739,786	727,481	810,580
School Administrative Services	591,923	641,279	658,524	811,400	784,016	732,130	1,026,878	1,134,711	1,308,684	1,436,697
Central Services	276,980	274,809	289,941	299,876	307,887	318,541	635,437	675,711	810,111	653,450
Administrative Information Technology	98,404	131,302	130,018	130,488	142,310	134,165				
Plant Operations And Maintenance	1,424,232	1,342,996	1,366,111	1,410,859	1,483,384	1,518,622	1,915,072	1,877,290	1,800,895	1,807,123
Pupil Transportation	487,519	512,908	434,863	562,065	600,973	452,959	605,110	771,724	803,205	729,891
Unallocated Benefits	2,841,960	3,112,470	3,152,822	3,474,794	3,511,404	3,761,171				
Capital Outlay	142,216	195,021	73,220	351,186	95,801	1,614,233	5,912,851	4,513,445	1,592,159	190,686
Debt Service										
Principal	245,000	255,000	265,000	275,000	310,000	320,000	393,682	406,880	419,585	375,000
Interest and Other Charges	233,922	225,172	216,072	206,279	144,898	138,350	134,633	121,691	108,792	454,046
Transfer to Charter School	50,075	49,296	27,658	36,897	62,473	56,186	-	-	-	-
<b>Total Expenditures</b>	<b>16,959,414</b>	<b>17,267,566</b>	<b>17,587,694</b>	<b>19,070,339</b>	<b>20,069,320</b>	<b>22,006,086</b>	<b>27,309,268</b>	<b>26,857,895</b>	<b>25,077,290</b>	<b>24,933,267</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	106,738	73,412	497,415	(660,617)	265,283	(1,657,317)	(4,153,815)	(3,939,423)	(1,043,853)	24,386
<b>Other Financing Sources (Uses)</b>										
Capital Leases (Non-Budgeted)										
Bond Proceeds				14,974					9,377,000	-
Premium on Bond Proceeds									938	-
Other - Superstorm Sandy Recovery				338,086						
Superstorm Sandy Expenses				(338,086)						
Transfers In	2,821	1,175	366	275,006	310,000	2,820,000	2,780,190	191,692	60,938	57,971
Transfers Out	(2,821)	(1,175)	(366)	(275,006)	(310,000)	(2,820,000)	(2,780,190)	(191,692)	(60,938)	(57,971)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,974</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,377,938</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 106,738</b>	<b>\$ 73,412</b>	<b>\$ 497,415</b>	<b>\$ (645,643)</b>	<b>\$ 265,283</b>	<b>\$ (1,657,317)</b>	<b>\$ (4,153,815)</b>	<b>\$ (3,939,423)</b>	<b>\$ 8,334,085</b>	<b>\$ 24,386</b>
Debt Service as a Percentage of Noncapital Expenditures	2.86%	2.82%	2.75%	2.58%	2.28%	2.25%	2.47%	2.37%	2.25%	3.35%

\* Noncapital expenditures are total expenditures less capital outlay.

**WOOD-RIDGE BOARD OF EDUCATION**  
**GENERAL FUND OTHER LOCAL REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

<b>Fiscal Year Ended June 30</b>	<b>Interest on Investments</b>	<b>Shared Services Child Study Team</b>	<b>Tuition</b>	<b>Rentals-Use of Facilities</b>	<b>Refunds</b>	<b>Other</b>	<b>Total</b>
2010	\$ 6,406					\$ 206,456	\$ 212,862
2011	5,976			\$ 2,625	\$ 78,564	51,070	138,235
2012	4,828			2,992	52,989	15,680	76,489
2013	1,572			120,000	57,160	24,888	203,620
2014	3,171				41,579	52,263	97,013
2015	6,856		\$ 1,826,417	156,060		84,524	2,073,857
2016	10,789		1,763,160	41,100	24,598	27,763	1,867,410
2017	8,964		1,757,641		22,436	168,130	1,957,171
2018	13,338	\$ 197,650	1,911,034	2,321	15,586	52,980	2,192,909
2019	25,145	197,200	1,831,952	2,647	8,083	38,048	2,103,075

**WOOD-RIDGE BOARD OF EDUCATION  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Valuation	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Valuation	Total Direct School Tax Rate <sup>a</sup>
2010	\$ 56,529,300	\$ 584,494,100	\$ 37,973,600	\$ 87,080,400	\$ 17,209,800	\$ 783,287,200	\$ 614,644	\$ 783,901,844	\$ 1,315,447,940	\$ 1.736
2011	67,982,800	586,141,300	38,077,700	79,831,500	17,209,800	789,243,100	546,760	789,789,860	1,256,721,214	1.794
2012	68,575,400	587,155,700	38,043,200	79,765,900	16,949,100	790,489,300	532,680	791,021,980	1,228,999,888	1.822
2013	68,418,100	587,891,700	37,398,100	79,765,900	16,471,400	789,945,200	559,307	790,504,507	1,174,989,142	1.915
2014	73,570,000	589,584,400	38,288,000	78,883,300	16,471,400	796,797,100	602,730	797,399,830	1,217,882,320	1.952
2015	75,951,500	594,488,000	38,141,500	78,883,300	16,471,400	803,935,700	602,730	804,538,430	1,206,398,485	1.962
2016	73,375,747	607,503,900	38,363,200	77,523,800	16,471,400	813,238,047	631,987	813,870,034	1,196,009,774	1.985
2017 (1)	96,231,800	966,369,000	74,198,000	106,296,000	31,582,400	1,274,677,200	930,062	1,275,607,262	1,270,429,581	1.373
2018	86,910,700	1,003,027,300	72,986,900	106,232,200	31,582,400	1,300,739,500	930,062	1,301,669,562	1,377,030,111	1.392
2019	53,993,800	1,042,917,800	72,302,200	116,367,000	31,582,400	1,317,163,200	843,658	1,318,006,858	1,508,583,456	1.435

Source: County Abstract of Ratables

a Tax rates are per \$100

(1) The Borough underwent a revaluation of real property which became effective January 1, 2017.

**WOOD-RIDGE BOARD OF EDUCATION  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
PER \$100 OF ASSESSED VALUATION  
LAST TEN YEARS  
(Unaudited)**

<u>Calendar Year</u>	<u>Total Direct and Overlapping Tax Rate</u>	<u>School</u>	<u>Overlapping Rates</u>	
			<u>Borough of Wood-Ridge</u>	<u>Bergen County</u>
2010	\$ 3.349	\$ 1.736	\$ 1.286	\$ 0.327
2011	3.386	1.794	1.264	0.328
2012	3.468	1.822	1.301	0.345
2013	3.600	1.915	1.334	0.351
2014	3.656	1.952	1.371	0.333
2015	3.768	1.962	1.447	0.359
2016	3.833	1.985	1.489	0.359
2017	(1) 2.620	1.373	0.996	0.251
2018	2.683	1.392	1.032	0.259
2019	2.774	1.435	1.062	0.277

(1) The Borough underwent a revaluation of real property which became effective January 1, 2017.

Source: Tax Duplicate, Borough of Wood-Ridge

WOOD-RIDGE BOARD OF EDUCATION  
 PRINCIPAL PROPERTY TAXPAYERS,  
 CURRENT YEAR AND NINE YEARS AGO  
 (Unaudited)

Taxpayer	2019		2010	
	Taxable Assessed Valuation	% of Total District Net Assessed Valuation	Taxable Assessed Valuation	% of Total District Net Assessed Value
WR Industrial	\$ 50,000,000	3.79%		
Wood-Ridge Development LLC - Highland Ave	15,886,300	1.21%		
One Ethel Blvd LLC	13,078,000	0.99%		
Cliff View Gardens	11,903,000	0.90%		
Metro Storage WR LLC	9,899,700	0.75%	Not Available	
Wood-Ridge Development LLC - Moonachie Ave	9,086,600	0.69%		
Windsor Wood-Ridge, LLC	8,581,100	0.65%		
Deldor Realty Corp. C/O Fiesta	6,415,200	0.49%		
Wesmont Station Res I Urb Renewal	6,177,800	0.47%		
Terminal Construction Corp	5,886,700	0.45%		
	<u>\$ 136,914,400</u>	<u>10.39%</u>		

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 13,203,323	\$ 12,103,047	91.67	\$ 1,100,276
2011	14,017,777	12,845,197	91.64	1,172,580
2012	14,313,388	13,120,606	91.67	1,192,782
2013	14,316,942	13,113,314	91.59	1,203,628
2014	15,286,337	14,012,473	91.67	1,273,864
2015	15,567,980	14,919,313	95.83	648,667
2016	16,002,622	14,669,065	91.67	1,333,557
2017	16,827,609	16,827,609	100.00	
2018	17,668,216	17,668,216	100.00	
2019	18,563,995	17,720,177	95.45	843,818

Source: District records.



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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population (E)</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Capital Leases</u>			
2010	\$ 5,805,000		\$ 5,805,000	7,462	\$ 778
2011	5,550,000		5,550,000	7,637	727
2012	5,285,000		5,285,000	7,684	688
2013	5,035,000		5,035,000	7,836	643
2014	4,725,000		4,725,000	7,850	602
2015	4,405,000	\$ 185,147	4,590,147	7,856	584
2016	4,075,000	121,465	4,196,465	8,148	515
2017	3,730,000	59,585	3,789,585	8,506	446
2018	12,747,000		12,747,000	8,875	1,436
2019	12,372,000		12,372,000	9,159	1,351

Source: District records

(E) Estimated

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

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended June</u> <u>30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of</u> <u>Property</u>	<u>Per Capita</u>
2010	\$ 5,805,000		\$ 5,805,000	0.741	\$ 778
2011	5,550,000		5,550,000	0.703	727
2012	5,285,000		5,285,000	0.668	688
2013	5,035,000		5,035,000	0.637	643
2014	4,725,000		4,725,000	0.593	602
2015	4,405,000		4,405,000	0.548	561
2016	4,075,000		4,075,000	0.501	500
2017	3,730,000		3,730,000	0.292	439
2018	12,747,000		12,747,000	0.979	1,436
2019	12,372,000		12,372,000	0.939	1,351

Source: District records

**WOOD-RIDGE BOARD OF EDUCATION  
COMPUTATION OF DIRECT AND OVERLAPPING OUTSTANDING BONDED DEBT  
AS OF DECEMBER 31, 2018  
(Unaudited)**

	<u>Net Debt</u>
DIRECT DEBT: (1)	
Wood-Ridge Board of Education	\$ 12,372,513
Borough of Wood-Ridge	<u>39,314,854</u>
	<u>\$ 51,687,367</u>
 Overlapping Debt Apportioned to the Municipality:	
Bergen County: (2) & (3)	
County of Bergen (A)	11,143,033
Bergen County Utilities Authority (B)	<u>1,527,552</u>
	<u>12,670,585</u>
 Total Direct and Overlapping Debt	 <u>\$ 64,357,952</u>

(A) The debt for this entity was apportioned to the Borough of Wood-Ridge by dividing the Municipality's 2018 equalized valuation by the total 2018 equalized valuation for Bergen County.

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

Sources:

- (1) Borough of Wood-Ridge Annual Debt Statement
- (2) BCUA 2018 audit.
- (3) Bergen County Debt Statement December 31, 2018

WOOD-RIDGE BOARD OF EDUCATION  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 52,756,476	\$ 51,450,403	\$ 32,720,143	\$ 48,397,455	\$ 47,628,072	\$ 46,711,360	\$ 46,410,812	\$ 46,444,984	\$ 48,446,732	\$ 52,715,633
Total Net Debt Applicable to Limit	<u>5,805,000</u>	<u>5,550,000</u>	<u>5,285,000</u>	<u>5,035,000</u>	<u>4,725,000</u>	<u>13,782,513</u>	<u>13,452,513</u>	<u>13,107,513</u>	<u>12,747,513</u>	<u>12,372,513</u>
Legal Debt Margin	<u>\$ 46,951,476</u>	<u>\$ 45,900,403</u>	<u>\$ 27,435,143</u>	<u>\$ 43,362,455</u>	<u>\$ 42,903,072</u>	<u>\$ 32,928,847</u>	<u>\$ 32,958,299</u>	<u>\$ 33,337,471</u>	<u>\$ 35,699,219</u>	<u>\$ 40,343,120</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.00%	10.79%	16.15%	10.40%	9.92%	29.51%	28.99%	28.22%	26.31%	23.47%

Legal Debt Margin Calculation for Fiscal Year 2019

Equalized Valuation Basis	
2016	\$ 1,171,812,748
2017	1,308,434,818
2018	<u>1,473,424,898</u>
	<u>\$ 3,953,672,464</u>
Average Equalized Valuation of Taxable Property	<u>\$ 1,317,890,821</u>
Debt Limit (4 % of Average Equalization Value)	\$ 52,715,633
Total Net Debt Applicable to Limit	<u>12,372,513</u>
Legal Debt Margin	<u>\$ 40,343,120</u>

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

**WOOD-RIDGE BOARD OF EDUCATION  
DEMOGRAPHIC STATISTICS  
LAST TEN YEARS  
(Unaudited)**

<b><u>Year Ended June 30</u></b>	<b><u>Unemployment Rate</u></b>	<b><u>Per Capita Income(1)</u></b>	<b><u>Population</u></b>
2010	6.90%	\$ 65,992	7,462
2011	6.80%	68,865	7,637
2012	7.00%	71,789	7,684
2013	5.70%	71,100	7,836
2014	5.30%	73,637	7,850
2015	4.80%	76,821	7,856
2016	4.40%	77,901	8,148
2017	4.00%	81,203	8,506
2018	3.50%	81,203	8,875
2019	3.50%	81,203	9,159

Source: New Jersey Department of Labor  
United States Bureau of Census  
School District Records

(E) Estimated  
(1) County of Bergen

WOOD-RIDGE BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS,  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)

<u>Employer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Percentage of Total Municipal Employment</u>

INFORMATION NOT AVAILABLE

**WOOD-RIDGE BOARD OF EDUCATION  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
 (Unaudited)**

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Instruction										
Regular	72.9	72.0	71.8	66.0	75.4	83.2	80.4	84.0	80.6	83.0
Special Education	11.5	11.5	11.5	14.6	16.8	15.8	16.0	16.0	19.0	17.0
Other Special Education	9.0	9.3	9.2	4.0	2.0	2.0	2.0	2.6	7.5	7.0
Other Instruction	5.1	5.7	6.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Support Services:										
Student and Instruction Related Services	13.2	13.2	13.2	15.0	17.0	11.0	18.5	21.0	21.0	29.0
General Administration	2.0	2.0	2.0	2.0	3.0	3.0	4.0	4.0	4.0	3.0
School Administrative Services	7.3	7.3	7.3	9.0	9.0	8.0	8.0	8.0	10.0	8.0
Central Services	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	4.0
Administrative Information Technology	1.0	1.0	1.0	1.5	1.0	1.0	1.0	1.0	1.0	1.0
Plant Operations And Maintenance	12.0	12.0	12.0	11.5	12.0	11.5	12.0	12.0	12.0	11.0
Pupil Transportation	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Food Service	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0
<b>Total</b>	<u>137.5</u>	<u>137.5</u>	<u>137.5</u>	<u>128.1</u>	<u>141.7</u>	<u>142.0</u>	<u>147.4</u>	<u>154.1</u>	<u>160.6</u>	<u>165.5</u>

Source: District Personnel Records

WOOD-RIDGE BOARD OF EDUCATION  
 OPERATING STATISTICS  
 LAST TEN FISCAL YEARS  
 (Unaudited)

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2010	1,182	\$ 16,338,276	\$ 13,823	4.82%	98.5	1:16	1:13	1:13	1,143	1,106	-3.54%	96.76%
2011	1,159	16,592,373	14,316	3.57%	98.5	1:12	1:13	1:11	1,147	1,087	0.35%	94.77%
2012	1,159	17,033,402	14,697	2.66%	98.5	1:12	1:13	1:11	1,160	1,098	1.13%	94.66%
2013	1,140	18,237,874	15,998	8.86%	98.6	1:11	1:18	1:10	1,137	1,087	-1.98%	95.60%
2014	1,140	19,518,621	17,122	7.02%	112.2	1:11	1:10	1:9	1,134	1,087	-0.26%	95.86%
2015	1,200	19,933,503	16,611	-2.98%	110.1	1:10	1:12	1:11	1,182	1,141	4.23%	96.53%
2016	1,182	20,868,102	17,655	6.28%	99.40	1:10	1:12	1:11	1,178	1,139	-0.34%	96.69%
2017	1,244	21,815,879	17,537	-0.67%	103.60	1:14	1:15	1:12	1,215	1,169	3.14%	96.21%
2018	1,243	22,956,754	18,469	5.31%	103.60	1:14	1:16	1:11	1,247	1,199	2.63%	96.15%
2019	1,215	23,913,535	19,682	6.57%	101.00	1:17	1:17	1:11	1,205	1,154	-3.37%	95.77%

Sources: District records

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



WOOD-RIDGE BOARD OF EDUCATION  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS  
 (Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>District Building</b>										
<b>Elementary</b>										
<b>Catherine A. Doyle (1952)</b>										
Square Feet	45,587	45,587	45,587	45,587	45,587	45,587	45,587	45,587	45,587	45,587
Capacity (students)	355	355	355	355	355	355	355	355	355	355
Enrollment	535	525	525	501	319	351	353	383	384	386
<b>Middle School</b>										
<b>Wood-Ridge Intermediate School (2014)*</b>										
Square Feet	N/A	N/A	N/A	N/A	37,725	37,725	37,725	37,725	37,725	37,725
Capacity (students)	N/A	N/A	N/A	N/A	290	290	290	290	290	290
Enrollment	N/A	N/A	N/A	N/A	279	267	268	262	248	250
<b>Ostrovsky Middle School (1958)**</b>										
Square Feet	30,738	30,738	30,738	30,738	30,738	30,738	30,738	30,738	30,738	30,738
Capacity (students)	244	244	244	244	244	244	244	244	244	244
Enrollment	247	263	263	282	192	198	188	170	191	169
<b>High School</b>										
<b>Wood-Ridge High School (1923)</b>										
Square Feet	63,792	63,792	63,792	63,792	63,792	63,792	63,792	63,792	63,792	63,792
Capacity (students)	496	496	496	496	496	496	496	496	496	496
Enrollment	400	371	371	357	357	366	389	429	420	410
<b>Central Administration</b>										
Square Feet	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531

Number of Schools at June 30, 2019

- Elementary = 1
- Intermediate School = 1
- Middle School = 1
- Senior High School = 1

\* Building owned by Borough of Wood-Ridge. District leases the building for \$1 per year.

\*\* 2014 became part of the Wood-Ridge Junior and Senior High School.

Source: District Records

**WOOD-RIDGE BOARD OF EDUCATION  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>* School Facilities</b>										
Catherine A. Doyle Elementary School	\$ 84,769	\$ 115,075	\$ 120,686	\$ 136,079	\$ 84,601	\$ 121,924	\$ 113,118	\$ 108,488	\$ 90,753	\$ 79,053
Intermediate School					52,174	75,080	69,657	66,806	55,885	48,680
Ostrovsky Middle School	74,088	101,081	90,710	99,378	83,361	78,287	72,633	69,660	58,273	50,760
Wood-Ridge High School	<u>105,650</u>	<u>127,723</u>	<u>116,832</u>	<u>121,058</u>	<u>85,313</u>	<u>85,224</u>	<u>79,068</u>	<u>75,831</u>	<u>63,435</u>	<u>55,257</u>
Total School Facilities	264,507	343,879	328,228	356,515	305,449	360,515	334,476	320,785	268,346	233,750
<b>Other Facilities</b>										
Central Administration	-	-	1,563	4,193	-	-	-	-	-	-
<b>Grand Total</b>	<u>\$ 264,507</u>	<u>\$ 343,879</u>	<u>\$ 329,791</u>	<u>\$ 360,708</u>	<u>\$ 305,449</u>	<u>\$ 360,515</u>	<u>\$ 334,476</u>	<u>\$ 320,785</u>	<u>\$ 268,346</u>	<u>\$ 233,750</u>

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

Source: School District's records

**WOOD-RIDGE BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2019  
(Unaudited)**

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund	School Package Policy	\$ 42,305,036	\$ 2,500
	Building and Contents (All Locations)		
	Boiler and Machinery	100,000,000	1,000
	Comprehensive General Liability	5,000,000	-0-
	Crime Coverage	500,000	1,000
	Employer Liability	5,000,000	5,000
	Workers Compensation	1,000,000	10,000
The Hartford	Surety Bonds		
	Board Secretary/Business Administrator - J. Murray	225,000	N/A

Source: School Insurance Records

{THIS PAGE INTENTIONALLY LEFT BLANK}

**SINGLE AUDIT SECTION**



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

**EXHIBIT K-1**

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
DONNA L. JAPHET, CPA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
DEBORAH K. LERCH, CPA, PSA  
RALPH M. PICONE, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
SHERYL M. LEIDIG, CPA, PSA  
ROBERT LERCH, CPA  
CHRIS SOHN, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Trustees  
Wood-Ridge Board of Education  
Wood-Ridge, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wood-Ridge Board of Education as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Wood-Ridge Board of Education's basic financial statements and have issued our report thereon dated November 12, 2019.

**Internal Control Over Financial Reporting**

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

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

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


### Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Wood-Ridge Board of Education in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated November 12, 2019.

### 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 Wood-Ridge Board of Education's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Wood-Ridge Board of Education's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
November 12, 2019



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
DONNA L. JAPHET, CPA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
DEBORAH K. LERCH, CPA, PSA  
RALPH M. PICONE, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
SHERYL M. LEIDIG, CPA, PSA  
ROBERT LERCH, CPA  
CHRIS SOHN, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Trustees  
Wood-Ridge Board of Education  
Wood-Ridge, New Jersey

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

We have audited the Wood-Ridge Board of Education's compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Wood-Ridge Board of Education's major state programs for the fiscal year ended June 30, 2019. The Wood-Ridge Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of state statutes, regulations, and the terms and conditions of its state financial assistance applicable to its state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Wood-Ridge Board of Education's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Wood-Ridge Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Wood-Ridge Board of Education's compliance.

### ***Opinion on Each Major State Program***

In our opinion, the Wood-Ridge Board of Education 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 state programs for the fiscal year ended June 30, 2019.

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

Management of the Wood-Ridge Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Wood-Ridge Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Wood-Ridge Board of Education's internal control over compliance.

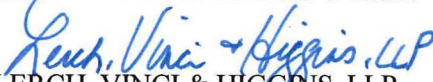
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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.

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

**Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements of the Wood-Ridge Board of Education, as of and for the fiscal year ended June 30, 2019 and have issued our report thereon dated November 12, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
November 12, 2019

WOOD-RIDGE BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2018		Unearned Revenue Carryover Amount	Accounts Receivable Carryover Amount	Cash Received	Budgetary Expenditures	Unearned Revenue Carryover Adjustments	Accounts Receivable Carryover Adjustments	Balance at June 30, 2019			Memo GAAP Receivable
						(Account Receivable)	Unearned Revenue							(Account Receivable)	Unearned Revenue	Due to Grantor	
<b>U.S. Department of Education</b>																	
<b>Passed-through State Department of Education</b>																	
<b>General Fund:</b>																	
Medical Assistance Program (SEMI)	93.778	1905NJ5MAP	N/A	7/01/18-6/30/19	\$ 7,587	-	-	-	-	\$ 7,587	\$ 7,587	-	-	-	-	-	-
Total General Fund						-	-	-	-	7,587	7,587	-	-	-	-	-	-
<b>Special Revenue Fund:</b>																	
<b>NCLB Consolidated:</b>																	
IDEA Part B - Basic	84.027	H027A180100	IDEA5830-19	7/01/18-6/30/19	266,960					162,883	266,960			\$ (104,077)			\$ (104,077)
IDEA Part B - Preschool	84.173	H173A180114	IDEA5830-19	7/01/18-6/30/19	11,869						11,869			(11,869)			(11,869)
Title I	84.010	S010A180030	ESEA5830-19	7/01/18-6/30/19	95,246			\$ 12,366	\$ (58,727)	123,441	83,788			(30,532)	\$ 23,824		(6,708)
Title I, Carryover	84.010	S010A170030	ESEA5830-18	7/01/17-6/30/18	94,277	\$ (58,727)	\$ 12,366	(12,366)	58,727								
Title II - Part A	84.367A	S367A180029	ESEA5830-19	7/01/18-6/30/19	16,647			14,661	(20,694)	19,342	14,559			(17,999)	16,749		(1,250)
Title II - Part A, Carryover	84.367A	S367A170029	ESEA5830-18	7/01/17-6/30/18	18,660	(20,694)	14,661	(14,661)	20,694								
Title III	84.365	S365A180030	ESEA5830-19	7/01/18-6/30/19	12,198			2,285	(10,000)	10,139	8,636			(12,059)	5,847		(6,212)
Title III, Carryover	84.365	S365A170030	ESEA5830-18	7/01/17-6/30/18	10,000	(10,000)	2,285	(2,285)	10,000								
Title III Immigrant	84.365	S365A180030	ESEA5830-19	7/01/18-6/30/19	2,686			2,026	(2,026)	2,000	2,000			(2,712)	2,712		
Title III Immigrant, Carryover	84.365	S365A170030	ESEA5830-18	7/01/17-6/30/18	2,026	(2,026)	2,026	(2,026)	2,026								
Title IV	84.424	S424A180031	ESEA5830-19	7/01/18-6/30/19	10,000			4,454	(8,939)	15,916	13,822			(3,023)	632		(2,391)
Title IV, Carryover	84.424	S424A170031	ESEA5830-18	7/01/17-6/30/18	8,939	(8,939)	4,454	(4,454)	8,939	-	-			-	-		-
Total Special Revenue Fund						(100,386)	35,792	-	-	333,721	401,634	-	-	(182,271)	49,764	-	(132,507)
<b>U.S. Department of Agriculture</b>																	
<b>Passed-through State Department of Agriculture</b>																	
<b>Enterprise Fund:</b>																	
School Breakfast Program	10.553	191NJ304N1099	N/A	7/01/18-6/30/19	9,584					8,829	9,584			(755)			(755)
School Breakfast Program	10.553	181NJ304N1099	N/A	7/01/17-6/30/18	10,106	(737)				737							
National School Lunch Program																	
Non-Cash Assistance	10.555	191NJ304N1099	N/A	7/01/18-6/30/19	41,197					41,197	41,197						
Cash Assistance	10.555	191NJ304N1099	N/A	7/01/18-6/30/19	102,572					96,400	102,572			(6,172)			(6,172)
Cash Assistance	10.555	181NJ304N1099	N/A	7/01/17-6/30/18	96,156	(5,356)				5,356							
Total Enterprise Fund						(6,093)	-	-	-	152,519	153,353	-	-	(6,927)	-	-	(6,927)
Total Federal Financial Awards						\$ (106,479)	\$ 35,792	\$ -	\$ -	\$ 493,827	\$ 562,574	\$ -	\$ -	\$ (189,198)	\$ 49,764	\$ -	\$ (139,434)

WOOD-RIDGE BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2018				Balance June 30, 2019				MEMO		
				(Accts Rec)	Unearned Revenue	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Adjustments	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>														
<u>General Fund:</u>														
Equalization Aid	19-495-034-5120-078	7/1/18-6/30/19	\$ 79,500			\$ 74,567	\$ 79,500			\$ (4,933)			\$ 79,500	
Equalization Aid	18-495-034-5120-078	7/1/17-6/30/18	79,500	(3,251)		3,251								
Special Education Aid	19-495-034-5120-089	7/1/18-6/30/19	662,355			621,253	662,355			(41,102)			662,355	
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	662,355	(27,083)		27,083								
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	22,479			21,084	22,479			(1,395)			22,479	
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	22,479	(919)		919								
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	10,940	(447)		447								
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	10,980	(449)		449								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	10,940	(448)		448								
Total State Aid Public				(32,597)	-	749,501	764,334	-	-	(47,430)	-	-	764,334	
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	118,852			111,477	118,852			(7,375)			118,852	
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	36,887	(1,508)		1,508								
Extraordinary Special Education Costs	19-495-034-5120-044	7/1/18-6/30/19	309,914				309,914			(309,914)			309,914	
Extraordinary Special Education Costs	18-495-034-5120-044	7/1/17-6/30/18	306,764	(305,577)		306,764	1,187						1,187	
On-Behalf TPAF Contributions-Post Retirement	19-495-034-5094-001	7/1/18-6/30/19	644,499			644,499	644,499						644,499	
On-Behalf TPAF Contributions-Normal Cost	19-495-034-5094-002	7/1/18-6/30/19	1,391,726			1,391,726	1,391,726						1,391,726	
On-Behalf TPAF Contributions-NCGI	19-495-034-5094-004	7/1/18-6/30/19	29,132			29,132	29,132						29,132	
On-Behalf TPAF Contributions-LTDI	19-495-034-5094-004	7/1/18-6/30/19	2,165			2,165	2,165						2,165	
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	7/1/18-6/30/19	596,307			566,484	596,307			(29,823)	\$ (29,823)		596,307	
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	7/1/17-6/30/18	569,228	(28,452)		28,452								
Total General Fund				(368,134)	-	3,831,708	3,858,116	-	-	(394,542)	-	-	3,858,116	
<u>Capital Projects Fund</u>														
2014 Referendum:														
Ostrovsky Middle School Gym HVAC	5830-070-14-1009	7/1/14-6/30/15	271,200	(10,063)	\$ 149,212		344			(10,063)	\$ 148,868		344	
Ostrovsky Middle School Windows	5830-070-14-1010	7/1/14-6/30/15	303,680	(14,091)						(14,091)				
Ostrovsky Middle School HVAC	5830-070-14-1008	7/1/14-6/30/15	676,200	(98,280)						(98,280)				
Doyle HVAC	5830-060-14-1007	7/1/14-6/30/15	1,020,040	(36,202)						(36,202)				
Doyle Window Replacement	5830-060-14-1005	7/1/14-6/30/15	233,880	(9,665)						(9,665)				
High School Window Replacement	5830-050-14-1004	7/1/14-6/30/15	443,880	(17,710)			4,483			(22,193)		4,483		
High School HVAC	5830-050-14-1001	7/1/14-6/30/15	1,493,520	(653,313)						(653,313)				
Total Capital Projects Fund				(839,324)	149,212	-	4,827	-	-	(843,807)	148,868	-	4,827	
<u>Debt Service Fund:</u>														
Debt Service Aid	19-495-034-5120-075	7/1/18-6/30/19	35,285			35,285	35,285						35,285	
Total Debt Service Fund						35,285	35,285						35,285	
<u>Enterprise Fund:</u>														
State Department of Agriculture														
State School Lunch Program	19-100-010-3350-023	7/1/18-6/30/19	4,367			4,100	4,367			(267)			4,367	
State School Lunch Program	18-100-010-3350-023	7/1/17-6/30/18	4,485	(245)		245								
Total Enterprise Fund				(245)		4,345	4,367			(267)			4,367	
Total State Financial Assistance Subject to Single Audit Determination				(1,207,703)	149,212	3,871,338	3,902,595			(1,238,616)	148,868		3,902,595	

WOOD-RIDGE BOARD OF EDUCATION  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2018			Balance June 30, 2019			MEMO				
				(Accts Rec)	Unearned Revenue	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Adjustments	(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
State Financial Assistance														
Not Subject to Single Audit Determination														
General Fund - On Behalf TPAF														
Post Retirement Medical	19-495-034-5094-001	7/1/18-6/30/19	\$ 644,499			\$ (644,499)	\$ (644,499)					*	\$ (644,499)	
Pension Contributions	19-495-034-5094-002	7/1/18-6/30/19	1,391,726			(1,391,726)	(1,391,726)					*	(1,391,726)	
Long Term Disability Insurance	19-495-034-5094-004	7/1/18-6/30/19	2,165			(2,165)	(2,165)					*	(2,165)	
NCGI Premium	19-495-034-5094-004	7/1/18-6/30/19	29,132	-	-	(29,132)	(29,132)	-	-	-	-	*	(29,132)	
<b>Total State Financial Assistance Subject to Major Program Determination</b>				<b>\$ (1,207,703)</b>	<b>\$ 149,212</b>	<b>\$ 1,803,816</b>	<b>\$ 1,835,073</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,238,616)</b>	<b>\$ 148,868</b>	<b>\$ -</b>	<b>\$ (873,897)</b>	<b>\$ 1,835,073</b>

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Wood-Ridge Board of Education. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$25,037 for the general fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 7,587	\$ 3,833,079	\$ 3,840,666
Special Revenue Fund	401,634		401,634
Capital Projects Fund		4,827	4,827
Debt Service Fund		35,285	35,285
Food Service Fund	<u>153,353</u>	<u>4,367</u>	<u>157,720</u>
Total Awards Financial Assistance	<u>\$ 562,574</u>	<u>\$ 3,877,558</u>	<u>\$ 4,440,132</u>

**WOOD-RIDGE BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$596,307 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2019. The amount reported as TPAF Pension System Contributions in the amount of \$1,420,858, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$644,499 and TPAF Long-Term Disability Insurance in the amount of \$2,165 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2019.

**NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

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

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

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

WOOD-RIDGE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I – Summary of Auditor’s Results

**Financial Statement Section**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted?            yes     X     no

**Federal Awards Section**

**Not Applicable**



**WOOD-RIDGE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

Type of auditors' report on compliance for major programs: Unmodified

Internal Control over compliance:

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

2) Were significant deficiencies identified that were not considered to be material weaknesses? \_\_\_\_\_ yes  X  none reported

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? \_\_\_\_\_ yes  X  no

Identification of major programs:

GMIS Number(s)	Name of State Program
<u>19-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>19-495-034-5120-089</u>	<u>Special Education Aid</u>
<u>19-495-034-5120-084</u>	<u>Security Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee?  X  yes   no

**WOOD-RIDGE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

*Part 2 – Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

WOOD-RIDGE BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

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

**CURRENT YEAR FEDERAL AWARDS**

Not Applicable.

**CURRENT YEAR STATE AWARDS**

There are none.

**WOOD-RIDGE BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.