

SCHOOL DISTRICT
OF
OXFORD TOWNSHIP

Oxford Township School District
Board of Education
Oxford, Warren County
New Jersey

Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2021

Annual Comprehensive

Financial Report

of the

Oxford Township School District

Board of Education

Oxford, New Jersey

For the Fiscal Year Ending June 30, 2021

Prepared by

Oxford Township School District

Board of Education

Finance Department

OUTLINE OF ACFR

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Introductory Section

OXFORD TOWNSHIP SCHOOL DISTRICT
17 KENT STREET
OXFORD, NEW JERSEY 07863
Tel: (908) 453-4101
Fax: (908) 453-3673

Robert J. Magnuson
Chief School Administrator

Nancy A. DeRiso, SFO, CPA
Business Administrator/Board Secretary

January 26, 2022

Honorable President and Members of the Board of Education
Oxford Township School District
17 Kent Street
Oxford, New Jersey 07863

Dear Board Members:

The comprehensive annual financial report of the Oxford School District for the fiscal year ended June 30, 2021, 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 Oxford Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Oxford Township School District. All disclosures necessary to enable the reader to gain an understanding of the district's 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 and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Action of 1996 and the U.S. Office of Management and Budget Uniform Guidance, "Audits of State and Local Governments", and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

I. REPORTING ENTITY AND ITS SERVICES: Oxford Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Oxford Township Board of Education and the Oxford Central School constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular as well as special education for students with special needs. Students in grades 9-12 are enrolled at Warren Hills Regional High School or the Warren County Technical School on a tuition basis. The district *completed* the 2020-2021 school year with the following enrollment:

Placement	Enrollment
Oxford Central School	260
Warren Hills Regional High School	91
Warren County Technical School	30
Out of District	4
Ridge & Valley Charter School	1
Other School Choice District	2
Non-Public Schools	6
At Home Instruction	0
Total District	394

The historic Average Daily Enrollment at the *Oxford Central School* is as follows:

Fiscal Year	Student Enrollment	% Change Inc/(Dec)
2010 – 2011	275.0	(5.0%)
2011 – 2012	286.0	4.00%
2012 – 2013	305.4	6.78%
2013 - 2014	313.0	2.49%
2014 - 2015	308.1	(1.56%)
2015 - 2016	309.9	0.58%
2016 - 2017	292.2	(5.71%)
2017 - 2018	276.4	(5.41%)
2018 - 2019	273.3	(1.45%)
2019 – 2020	270.0	(1.20%)
2020 - 2021	260.0	(3.7%)

II. ECONOMIC CONDITION AND OUTLOOK: According to the 2020 census figures, Oxford Township has experienced a moderate decrease in total population to approximately 2,444 residents. As of the census of 2019; median household income is reported at \$74,357.00 and the per capita income was \$40,129.00. Job opportunities for residents of the township primarily exist outside the community. Oxford's six square mile size does not encourage industrial development. At the present time there remains an approval and a proposal for the redevelopment for additional townhomes in the

Cambridge East/West development that may result in an increase to the school population.

III. MAJOR INITIATIVES: The Oxford Township School District is a small, rural district whose educational goals are to offer each child the opportunity to achieve his/her greatest potential. The district communicates high expectations, reviews and incorporates appropriate school reform strategies (i.e. cooperative education, use of standards developed for each academic discipline and thematic instruction). Technology plays an ever-increasing role in student instruction as well. It is the intent of the district to offer all students an appropriate educational experience within the regular school program. Students enter high school with the necessary skills to be successful and to plan for post high school opportunities in our global society. The Oxford Township School District completed a major school renovation and construction project in 2003 which has enabled it to provide expanded educational opportunities for its students. The District completed a major roof replacement and interior renovation project that received voter approval in December 2008. The District replaced a portion of the HVAC system during 2020 through the NJ Direct Install program which paid a large portion of this expense.

IV. INTERNAL ACCOUNTING CONTROLS: Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognized 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 judgment by management.

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

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

V. 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, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriation of fund balances in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2021.

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

VII. FINANCIAL INFORMATION AT FISCAL YEAR-END: 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 schedule presents a summary of the general fund, special revenue fund for the fiscal year ended June 30, 2021, and the amount and percentage of increases or decreases in relation to prior year revenues.

Revenue Source	Amount	% of Total	Inc/(Dec)	% of Inc/(Dec)
Local	\$4,908,389	61.55%	\$ (204,340)	9.53%
State of N.J.	\$2,891,278	36.25%	(494)	0.01%
Federal	\$ 175,605	2.20%	1,145	15.58%
TOTAL	\$7,975,271	100.00%	\$ (203,690)	5.99%

Local sources increased due to a slight increase in debt payments due and an increase in the operating budget of the district. Federal Sources increased primarily due COVID-19 related grants. State aid remained flat when compared with the prior year.

The following schedule presents a summary of general fund special revenue fund expenditures for the fiscal year ended June 30, 2021 and the increase/decrease in relation to prior year amounts.

Expenditures	Amount	% of Total	Incr/(Decr)	% of Inc/(Decr)
<i>Current:</i>				
Instruction	\$2,101,735	27.65%	(\$174,026)	-7.65%
Undistributed	\$4,851,779	63.84%	\$282,260	6.18%
Subtotal Current	\$6,953,514	91.49%	\$108,234	1.58%
<i>Charter School</i>	\$12,013	0.16%	(\$24,514)	-67.11%
<i>Capital Outlay</i>	\$58,207	0.77%	\$0	0.00%
<i>Capital Projects</i>	\$126,913	1.67%	\$93,238	276.88%
<i>Special Revenue</i>	\$169,684	2.23%	\$25,865	17.98%
<i>Debt Service</i>	\$279,638	3.68%	\$4,445	1.62%
Grand Total	\$7,599,968	100.00%	\$207,268	2.80%

Expenses shifted from instruction to undistributed primarily due to increased employee benefit costs. Charter school expenses decreased due to a change from two students to one. Capital projects increased due to replacing a portion of the HVAC system. Debt Service payments increased slightly due to higher principal payments on the existing bond.

VIII. DEBT ADMINISTRATION: The district’s primary long-term debt was refunded in December 2006, saving the district over \$200,000 in interest over the life of the loan. This debt was refinanced again in November 2016, with the issuance of \$3,655,000 of debt at a lower interest rate to save approximately \$535,000 over the life of the loan. This debt service is detailed in “Notes to the Financial Statements”, Note 7. Additionally the 2008 referendum project was bonded June 1, 2011 in the amount of \$895,000, and was paid several years ago.

IX. CASH MANAGEMENT: The investment policy of the district is guided in large part by the state statute as detailed in “Notes to the Financial Statements”, Note 2.

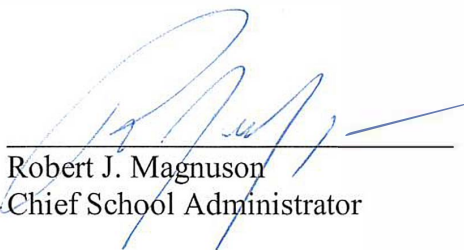
The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental Units from a loss of funds on deposit with 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.

X. RISK MANAGEMENT: The Oxford Township Board of Education carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds.

XI. OTHER INFORMATION: State statute requires an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Co., LLC (Accountants and Auditors) was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Uniform Guidance and State treasury Circular Letter OMB 15-08. The auditor's report relating specifically to the single audit is included in the single audit section of this report.

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

Respectfully submitted,


Robert J. Magnuson
Chief School Administrator


Nancy A. DeRiso
School Business Administrator

**OXFORD TOWNSHIP SCHOOL DISTRICT
ORGANIZATIONAL CHART
(UNIT CONTROL)**

BOARD OF EDUCATION

CHIEF SCHOOL ADMINISTRATOR

**OFFICE OF THE
BUSINESS
ADMINISTRATOR/
BOARD SECRETARY**

**OFFICE OF THE
VICE PRINCIPAL /
DIRECTOR OF
SPECIAL SERVICES**

**FACULTY, STAFF
AND
CONSULTANTS**

STUDENTS

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 30, 2021

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Suzanne Taranto, <i>President</i>	2022
John Brus, <i>Vice-President</i>	2022
Kristen MacLean	2021
Linda Koufodontes	2023
William Ott	2023
Jacob Burlas	2021
Michael Zulla	2021

Other Officials

Robert Magnuson, *Chief School Administrator*

Nancy DeRiso, *Board Secretary/Business Administrator/Treasurer*

Michael Selvaggi, Esquire, *Solicitor*

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

AUDIT FIRM

Ardito & Company LLC
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192

ATTORNEY

Michael Selvaggi, Esquire
Lavery, Selvaggi, Abromitis & Cohen, P.C.
1500 Route 517, Suite 300
Hackettstown, New Jersey 07840

BOND COUNSEL

Steven L. Rogut, Esquire
Rogut McCarthy, LLC
37 Alden Street
Cranford, New Jersey 07016

OFFICIAL DEPOSITORIES

Fulton Bank of New Jersey
Route 31
Oxford, New Jersey 07863

State of New Jersey Cash Management Fund
P.O. Box 290
Trenton, New Jersey 08625-0290

Financial Section

Independent Auditor's Report



ARDITO & COMPANY LLC

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Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Oxford Township School District
County of Warren
Oxford, New Jersey 07863

Report on the Financial Statements

We have audited the accompanying financial statements of the government activities, the business-type activities, each major fund and the aggregate remaining fund information of the Oxford Township School District Board of Education, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District'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 and the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

-Continued-

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, business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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, and pension trend information as identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oxford Township School District Board of Education's basic financial statements. The introductory section, combining and individual fund financial statements, long-term debt schedules, statistical section, and schedule of state financial assistance, as required by New Jersey OMB's Circulars 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.

-Continued-

The combining and individual fund financial statement information, long-term debt schedules, and the schedule of state financial assistance, as required by New Jersey OMB's Circulars 15-08, ***Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***, 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 and individual fund financial statement information, long-term debt schedules, and schedule of state financial assistance, as required by New Jersey OMB's Circulars 15-08, ***Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 January 26, 2022, on our consideration of the Oxford Township School District 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 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 District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

January 26, 2022

Anthony Ardito

Anthony Ardito

Licensed Public School Accountant No. 2369

Required Supplementary Information - Part I

Management's Discussion and Analysis

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

The discussion and analysis of Oxford Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2021 are as follows:

- ◆ In total, Net Position increased \$350,769 which represents a 11.1% increase from 2020.
- ◆ General revenues accounted for \$4,326,004 in revenue or 45.2% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$5,243,866 or 54.8% of total revenues of \$9,569,870.
- ◆ Total assets of governmental activities increased by \$99,008, as cash and cash equivalents increased by \$213,935, receivables decreased by \$6,538, and capital assets decreased by \$107,463.
- ◆ The School District had \$9,219,101 in expenses; only \$5,243,866 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$4,326,004 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$8,126,660 in revenues and \$7,946,704 in expenditures. The General Fund's surplus balance increased \$183,925 over 2020, which compares favorably to the budgeted decrease of \$358,000.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Oxford Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Oxford Township School District, the General Fund is by far the most significant fund.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental activities--All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

- Business-type Activity--This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 26. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Governmental Funds

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District’s Net Position for 2021 compared to 2020.

**Table 1
Net Position**

	<u>2021</u>	<u>2020</u>
Assets		
Current and Other Assets	\$ 1,677,084	\$ 1,470,613
Capital Assets	<u>6,568,940</u>	<u>6,676,403</u>
Total Assets	<u>8,246,024</u>	<u>8,147,016</u>
Deferred Outflows of Resources	<u>263,718</u>	<u>316,482</u>
Liabilities		
Long-Term Liabilities	4,254,783	4,531,947
Other Liabilities	<u>221,947</u>	<u>220,207</u>
Total Liabilities	<u>4,476,730</u>	<u>4,752,154</u>
Deferred Inflows of Resources	<u>524,052</u>	<u>553,153</u>
Net Position		
Invested in Capital Assets, Net of Debt	3,638,940	3,556,403
Restricted	1,428,976	1,189,862
Unrestricted	<u>(1,558,956)</u>	<u>(1,588,074)</u>
Total Net Position	<u>\$ 3,508,960</u>	<u>\$ 3,158,191</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Total assets of governmental activities increased by \$99,008, as cash and cash equivalents increased by \$213,935, receivables decreased by \$6,538, and capital assets decreased by \$107,463.

The cash increase was mainly due to increases in tuition based program revenue and under spending of the operating budget. The decrease in capital assets was due to depreciation expense for the year.

Table 2 shows the changes in Net Position from fiscal year 2020.

Table 2
Changes in Net Position

	<u>2021</u>	<u>2020</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 204,154	\$ 272,921
Operating Grants and Contributions	5,039,712	4,343,316
General Revenues:		
Property Taxes	4,318,864	4,228,172
Federal & State Aid on Capital Asset Projects	-	-
Investment Earnings	238	9,517
Other	<u>6,902</u>	<u>3,042</u>
Total Revenues	<u>9,569,870</u>	<u>8,856,968</u>
 Program Expenses		
Instruction	4,903,455	4,579,559
Support Services:		
Tuition	2,101,735	2,197,270
Pupils and Instructional Staff	770,640	733,245
General Administration, School Administration, Business	543,890	478,024
Operations and Maintenance of Facilities	453,978	391,602
Pupil Transportation	225,809	231,458
Business-Type Activities	74,361	69,751
Interest and Fiscal Charges	<u>145,233</u>	<u>92,718</u>
Total Expenses	<u>9,219,101</u>	<u>8,773,627</u>
 Increase in Net Position	 <u>\$ 350,769</u>	 <u>\$ 83,341</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 45.1% percent of revenues for governmental activities for the Oxford Township School District for the fiscal year 2021.

Instruction comprises 53.2% of district expenses. Support services expenses make up 44.4% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>	<u>Total Cost of Services 2020</u>	<u>Net Cost of Services 2020</u>
Instruction	\$ 4,903,455	\$ 1,965,551	\$4,579,559	\$2,005,644
Support Services:				
Tuition	2,101,735	986,375	2,197,270	1,133,964
Pupils and Instructional Staff	770,640	323,783	733,245	354,973
General Admin., School Admin., Business	543,890	255,256	478,024	246,698
Operation and Maintenance of Facilities	453,978	213,059	391,602	202,097
Pupil Transportation	225,809	105,976	231,458	119,451
Business-Type Activities	74,361	(19,998)	69,751	1,845
Interest and Fiscal Charges	<u>145,233</u>	<u>145,233</u>	<u>92,718</u>	<u>92,718</u>
Total Expenses	<u>\$ 9,219,101</u>	<u>\$ 3,975,235</u>	<u>\$ 8,773,627</u>	<u>\$ 4,157,390</u>

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

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 40.1% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 46.0%. The community, as a whole, is the primary support for the Oxford Township School District.

The School District's Funds

Information about the School District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$8,586,279 and expenditures of \$8,404,158. The General Fund's surplus balance increased \$183,925 over 2020, which compares favorably to the budgeted decrease of \$358,000.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of the fiscal 2021 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$7,137,504, \$61,583 over original budgeted estimates of \$7,075,921. This difference was due primarily to extraordinary aid and tuition revenues.

General fund revenues exceeded expenditures by \$187,475. Again this surplus compares to a budgeted deficit of \$358,000, which was due to the budgeted use of surplus, maintenance, capital and emergency reserves and tuition reserve needed to balance the 2021 budget.

The budgeted deficit was reduced due to revenue increases and cost savings in the areas of instruction, transportation, and benefit expenditures.

Overall general fund balance (budget basis) was \$1,685,852, and amounts ear-marked and reserved for future purposes were \$1,384,841, creating a surplus in unreserved fund balance of \$301,011. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

Capital Assets

At the end of the fiscal year 2021, the School District had \$6,568,940 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2021 balances compared to 2020.

**Table 4
Capital Assets (Net of Depreciation) at June 30,**

	<u>2021</u>	<u>2020</u>
Land	\$ 550	\$ 550
Land Improvements	-	-
Buildings and Improvements	6,439,142	6,646,283
Machinery and Equipment	<u>129,248</u>	<u>29,570</u>
 Totals	 <u>\$ 6,568,940</u>	 <u>\$ 6,676,403</u>

Overall capital assets decreased \$107,463 from fiscal year 2020 to fiscal year 2021. The decrease in capital assets was due to depreciation expense for the year.

Capital improvements of \$126,834 were purchased during fiscal year 2021 and included the clean energy project.

Debt Administration

At June 30, 2021, the School District had \$3,132,399 as outstanding long term debt. Of this amount, \$201,407 is for compensated absences and \$2,930,000 is for bonds payable outstanding.

At June 30, 2021, the School District's overall legal debt margin was \$2,447,825 and the unvoted debt margin was the same.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

For the Future

The Oxford Township School District is in very good financial condition presently. A major concern is the continued reliance on local property taxes. The Oxford Township School District is primarily a residential community, with very few ratables, thus the burden is focused on homeowners to bear the tax burden. However, future finances are not without challenges as the community continues to grow and state funding is decreased.

In conclusion, the Oxford Township School District 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 School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Nancy DeRiso, School Business Administrator/Board Secretary at Oxford Township School District, 17 Kent Street, Oxford, NJ, 07863.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of Net Position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2021

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,477,195	\$ 10,887	\$ 1,488,082
Receivables from Other Governments	113,496	5,660	119,156
Accounts Receivable, Net	36,952		36,952
Interfund Receivables		30,461	30,461
Inventory		2,433	2,433
Capital Assets, Net (Note 6):	6,568,940		6,568,940
Total Assets	8,196,583	49,441	8,246,024
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	263,718		263,718
LIABILITIES			
Accounts Payable	116,387	12,519	128,906
Payroll Deductions and Withholdings Payable	1,705		1,705
Interfund Payable	30,461		30,461
Unearned Revenue	20,628	870	21,498
Accrued Interest	39,377		39,377
Net Pension Liability (Note 8)	1,122,384		1,122,384
Noncurrent Liabilities (Note 7):			
Due Within One Year	200,992		200,992
Due Beyond One Year	2,931,407		2,931,407
Total Liabilities	4,463,341	13,389	4,476,730
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	524,052		524,052
Net Position			
Invested in Capital Assets, Net of Related Debt	3,638,940		3,638,940
Restricted for:			
Other Purposes	1,428,976		1,428,976
Unrestricted	(1,595,008)	36,052	(1,558,956)
Total Net Position	\$ 3,472,908	\$ 36,052	\$ 3,508,960

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	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
Functions/Programs							
Governmental Activities:							
Instruction:							
Regular	\$ 4,024,063	\$ 193,867	\$ 2,277,356		\$ (1,552,840)		\$ (1,552,840)
Special Education	834,319		442,761		(391,558)		(391,558)
Other Special Instruction	45,073		23,920		(21,153)		(21,153)
Support Services:							
Tuition	2,101,735		1,115,360		(986,375)		(986,375)
Student & Instruction Related Services	770,640	10,051	436,806		(323,783)		(323,783)
School Administrative Services	348		184		(164)		(164)
General and Business Admin. Services	543,542		288,450		(255,092)		(255,092)
Plant Operations and Maintenance	453,978		240,919		(213,059)		(213,059)
Pupil Transportation	225,809		119,833		(105,976)		(105,976)
Interest and Other Charges	145,233		-		(145,233)		(145,233)
Total Governmental Activities	9,144,740	203,918	4,945,589		(3,995,233)		(3,995,233)
Business-Type Activities:							
Food Service	74,361	\$ 236	94,123			\$ 19,998	19,998
Total Business-Type Activities	74,361	236	94,123			19,998	19,998
Total Primary Government	\$ 9,219,101	\$ 204,154	\$ 5,039,712		\$ (3,995,233)	\$ 19,998	\$ (3,975,235)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				\$ 4,043,150			\$ 4,043,150
Taxes Levied for Debt Service				275,714			275,714
Investment Earnings				238			238
Miscellaneous Income				6,902		-	6,902
Total General Revenues, Special Items, Extraordinary Items and Transfers				4,326,004			4,326,004
Change in Net Position				330,771		19,998	350,769
Net Position—Beginning				3,052,983		16,054	3,069,037
Prior Period Adjustments (See Note 23)				89,154			89,154
Net Position—Beginning (Restated)				3,142,137		16,054	3,158,191
Net Position—Ending				\$ 3,472,908		\$ 36,052	\$ 3,508,960

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 1,431,485	\$ 45,710		\$ 1,477,195
Interfund Receivables	954			954
Accounts Receivable, Net	36,945	7		36,952
Receivables from Other Governments	113,496			113,496
TOTAL ASSETS	\$ 1,582,880	\$ 45,717	-	\$ 1,628,597
LIABILITIES AND FUND BALANCES				
Liabilities:				
Interfund Payable	\$ 30,461		\$ 954	\$ 31,415
Accounts Payable	116,387			116,387
Payroll Deductions and Withholdings Payable	1,705			1,705
Deferred Revenue	20,000	628		20,628
Total Liabilities	168,553	628	954	170,135
Fund Balances:				
<u>Restricted for:</u>				
Capital Reserve	635,528			635,528
Emergency Reserve	200,032			200,032
Maintenance Reserve	19,201			19,201
Tuition Reserve	375,000			375,000
Unemployment Claims	47,080			47,080
Scholarships		9,939		9,939
Student Activities		35,150		35,150
<u>Assigned to:</u>				
General Fund-Designated for Subsequent Year's Expend.	108,000			108,000
Capital Projects Fund				-
Debt Service Fund			(954)	(954)
<u>Unassigned:</u>				
General Fund	29,486			29,486
Total Fund Balances	1,414,327	45,089	(954)	1,458,462
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,582,880	\$ 45,717	-	\$ 1,628,597

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 \$10,884,262 and the accumulated depreciation is \$4,315,322.	\$6,568,940
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 8)	263,718
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8)	(524,052)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	(1,122,384)
Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(39,377)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(3,132,399)
Net Position of governmental activities	\$ 3,472,908

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Local Tax Levy	\$ 4,043,150			\$ 275,714	\$ 4,318,864
Tuition	193,867				193,867
Miscellaneous	2,970	\$ 14,218	\$ 3		17,191
Total - Local Sources	4,239,987	14,218	3	275,714	4,529,922
State Sources	3,880,752			-	3,880,752
Federal Sources	5,921	169,684			175,605
Total Revenues	8,126,660	183,902	3	275,714	8,586,279
EXPENDITURES					
Current:					
Regular Instruction	2,567,723	149,977			2,717,700
Special Education Instruction	595,237				595,237
Other Special Instruction	32,157				32,157
Support services and undistributed costs:					
Tuition	2,101,735				2,101,735
Student and Instruction Related Services	521,967	27,839			549,806
School Administrative Services	248				248
Other Administrative Services	387,785				387,785
Plant Operations and Maintenance	323,886				323,886
Pupil Transportation	225,809				225,809
Unallocated Benefits	993,024				993,024
Charter School	12,013				12,013
Debt Service:					
Principal				190,000	190,000
Interest and Other Charges				89,638	89,638
Capital Outlay	185,120		-		185,120
Total Expenditures	7,946,704	177,816	-	279,638	8,404,158
Excess (Deficiency) of Revenues Over Expenditures	179,956	6,086	3	(3,924)	182,121
OTHER FINANCING SOURCES (USES)					
Transfers - Capital Projects Fund	3,969		(3,969)		-
Total Other Financing Sources and Uses	3,969	-	(3,969)	-	-
Net Change in Fund Balances	183,925	6,086	(3,966)	(3,924)	182,121
Fund Balance—July 1	1,180,251	-	3,966	2,970	1,187,187
Prior Period Adjustment-See Note 23	50,151	39,003			89,154
Fund Balance—July 1 (Restated)	1,230,402	39,003	3,966	2,970	1,276,341
Fund Balance—June 30	\$ 1,414,327	\$ 45,089	-	\$ (954)	\$ 1,458,462

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 182,121

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

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

Depreciation Expense	\$ (234,297)	
Net Book Value of Disposals	-	
Capital Outlays, Net of Capital Lease Capital Cost	<u>126,834</u>	(107,463)

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

57,648

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

190,000

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

5,684

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned.

169

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This is the amount by which current year's amount of interest accrual exceeds the prior year's amount.

2,612

Change in Net Position of Governmental Activities \$ 330,771

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
 PROPRIETARY FUNDS

June 30, 2021

		Business-Type Activities- Enterprise Funds	
		Food Service	Totals
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$	10,887	\$ 10,887
Federal and State Accounts Receivable		5,660	5,660
Interfund Receivable		30,461	30,461
Inventories		2,433	2,433
Total Current Assets		<u>49,441</u>	<u>49,441</u>
Noncurrent Assets:			
Furniture, Machinery and Equipment		23,340	23,340
Less Accumulated Depreciation		(23,340)	(23,340)
Total Noncurrent Assets		<u> </u>	<u> </u>
Total Assets		<u>49,441</u>	<u>49,441</u>
LIABILITIES			
Current liabilities:			
Accounts Payable		12,519	12,519
Deferred Revenue		870	870
Total Current Liabilities		<u>13,389</u>	<u>13,389</u>
Total Liabilities		<u>13,389</u>	<u>13,389</u>
Net Position			
Invested in Capital Assets Net of Related Debt		-	-
Unrestricted		36,052	36,052
Total Net Position		<u>\$ 36,052</u>	<u>\$ 36,052</u>

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-5

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities- Enterprise Fund	
	Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 236	\$ 236
Daily Sales - Non-Reimb.Programs	-	-
Miscellaneous	-	-
Total Operating Revenues	<u>236</u>	<u>236</u>
 Operating Expenses:		
Cost of Sales - Reimbursable Programs	33,952	33,952
Cost of Sales - Non-reimbursable Programs	-	-
Salaries	17,136	17,136
Employee Benefits	5,212	5,212
Supplies	1,985	1,985
Miscellaneous	8,262	8,262
Other Purchased Professional Services	7,814	7,814
Total Operating Expenses	<u>74,361</u>	<u>74,361</u>
 Operating Income (Loss)	<u>(74,125)</u>	<u>(74,125)</u>
 Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	3,609	3,609
Federal Sources:		
National School Lunch Program	84,971	84,971
Food Distribution Program	5,543	5,543
Total Nonoperating Revenues (Expenses)	<u>94,123</u>	<u>94,123</u>
 Income (Loss) Before Contributions and Transfers	19,998	19,998
Transfers In (Out)		
Change in Net Position	<u>19,998</u>	<u>19,998</u>
 Total Net Position—Beginning	16,054	16,054
Total Net Position—Ending	<u><u>\$ 36,052</u></u>	<u><u>\$ 36,052</u></u>

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended June 30, 2021

	Business-Type Activities- Enterprise Funds	
	Food Service	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 236	\$ 236
Payments to Employees and Benefits	(22,348)	(22,348)
Payments to Suppliers	(35,934)	(35,934)
Net Cash Provided by (used for) Operating Activities	(58,046)	(58,046)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	3,263	3,263
Federal Sources	81,601	81,601
Operating Subsidy Transfers from Other Funds	(23,139)	(23,139)
Net Cash Provided by (used for) Non-Capital Financing Activities	61,725	61,725
Net Increase (Decrease) in Cash and Cash Equivalents	3,679	3,679
Balances—Beginning of Year	7,208	7,208
Balances—End of Year	\$ 10,887	\$ 10,887
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	\$ (74,125)	\$ (74,125)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Federal Commodities	5,543	5,543
(Increase) Decrease in Receivables	-	-
(Increase) Decrease in Inventories	926	926
Increase (Decrease) in Accounts Payable	9,610	9,610
Total Adjustments	16,079	16,079
Net Cash Provided by (used for) Operating Activities	\$ (58,046)	\$ (58,046)

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

Notes to Financial Statements

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Oxford Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, and GASB No. 84, Fiduciary Activities. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2020.

A. Reporting Entity:

The Oxford Township School District is a Type II district located in the County of Warren, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of five members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Oxford Township School District had an approximate enrollment at June 30, 2021, of 260 students.

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

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

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund and Unemployment Compensation Trust Fund.

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute as the municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

D. Encumbrance Accounting:

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

Compensated Absences:

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

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2021 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

All payables, accrued liabilities and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Net Position:

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

Revenues—Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest and tuition.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the district would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2021, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

As of June 30, 2021, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents (A-1)
Checking	\$1,082,102
	<u> </u>
	<u><u>\$1,082,102</u></u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2021, was \$1,082,102 and the bank balance was \$1,175,716. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$925,716 was covered by collateral pool.

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

Investments:

Pursuant to the Enabling Act, the funds of the district may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the district may approve.

In order to maximize liquidity, the district utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investments. The NJCMF is administered by the New Jersey Department of Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty.

At June 30, 2021, the district's balance was \$405,980

Custodial Credit Risk: Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk disclosure. The district does not have a policy for custodial credit risk.

Credit Risk: The district does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The district does not have a policy to limit interest rate risk. The average maturity of the district's investments is less than one year.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3: RECEIVABLES

Receivables at June 30, 2021, consisted of intergovernmental receivables for grants and lunch reimbursements. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	<u>Governmental Fund Financial Statements</u>	<u>Government-Wide Financial Statements</u>
State Aid	\$113,496	\$113,872
Federal Aid	-	5,284
Gross Receivable-Governm.	113,496	119,156
Other Receivables	36,952	36,952
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	\$150,448	\$156,108

NOTE 4: INVENTORY

Inventory in the Food Service Fund at June 30, 2021, consisted of the following:

Food	\$	1,226
Supplies		1,207
Total	\$	2,433

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 5: DEFERRED BOND ISSUANCE COSTS

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The costs associated with the issued of the various bonds are immaterial and are not amortized on the District-wide financial statements.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 550			\$ 550
Construction in Progress				
Total Capital Assets Not Being Depreciated	550			550
<i>Capital Assets Being Depreciated:</i>				
Land Improvements	156,800			156,800
Buildings and Building Improvements	10,390,258			10,390,258
Machinery and Equipment	209,820	\$ 126,834		336,654
Total at Historical Cost	10,756,878	126,834	-	10,883,712
Less Accumulated Depreciation for:				
Land Improvements	(156,800)			(156,800)
Building and Improvements	(3,743,975)	(207,141)		(3,951,116)
Equipment	(180,250)	(27,156)		(207,406)
Total Accumulated Depreciation	(4,081,025)	(234,297)	-	(4,315,322)
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	6,675,853	(107,463)	-	6,568,390
Government Activity Capital Assets, Net	\$ 6,676,403	(\$107,463)	\$0	\$ 6,568,940

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	<u>\$ 234,297</u>
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NOTE 7: LONG-TERM OBLIGATIONS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: LONG-TERM OBLIGATIONS - (Continued)

A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2021, are as follows:

	<u>Balance</u> <u>7/1/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>6/30/21</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$3,120,000		(\$190,000)	\$2,930,000	\$200,000
Other Liabilities:					
Capital Lease Obligations	6,676		(5,684)	992	992
Compensated Absences Payable	201,576		(169)	201,407	
Total	\$3,328,252	-	(\$195,853)	\$3,132,399	\$200,992

Compensated absences and capital leases have been liquidated in the General Fund.

Interest paid on debt issued by the District is exempt from federal income taxes. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year end) on the District-wide financial statements.

For the year ended June 30, 2021, it is not necessary for the Board to establish a liability for arbitrage rebate.

	Government Activities			Balance
	<u>Issue</u> <u>Dates</u>	<u>Interest</u> <u>Rates</u>	<u>Date of</u> <u>Maturity</u>	<u>June 30, 2021</u>
General School Renovations				
Bonds Payable-Series 2016	11/3/16	2.0%-3.25%	7/15/2032	\$ 2,930,000
Total Bonds				\$ 2,930,000

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7: LONG-TERM OBLIGATIONS (Continued)

B. Debt Service Requirements:

Debt Service requirements on serial bonds payable at June 30, 2021, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 200,000	\$ 82,912	\$ 282,912
2023	205,000	77,862	282,862
2024	210,000	73,712	283,712
2025	220,000	68,312	288,312
2026	225,000	61,637	286,637
Thereafter	<u>1,870,000</u>	<u>217,009</u>	<u>2,087,009</u>
	<u>\$ 2,930,000</u>	<u>\$ 581,444</u>	<u>\$ 3,511,444</u>

C. Advance Refunding:

The 2016 School Bonds were issued on November 3, 2016 in the amount of \$3,655,000 to advance refund a portion of the 2006 Refunding School Bonds. The advance refunding proceeds along with an original issue premium of \$168,570, and a contribution from the budgeted debt service fund of \$60,000 was deposited to an escrow account, which was utilized on December 15, 2016 to refund the 2006 bonds, provide for accrued interest, and costs of issuance. The balance outstanding on the refunded 2006 School Bonds was -0- at June 30, 2021.

D. Capital Lease Obligations:

The district entered into a leases for security and technolgy equipment on July 7, 2016 and on June 29, 2016 for a period of 60 months and 40 months respectively. Interest on the security lease is at 7.9% per annum and interest on the technolgy lease is at 8.1% per annum.

Debt service requirements on capital lease obligations at June 30, 2021, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>\$ 992</u>	<u>\$ 10</u>	<u>\$ 1,002</u>
	<u>\$ 992</u>	<u>\$ 10</u>	<u>\$ 1,002</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$13,438,475 as measured on June 30, 2020 and \$13,676,871 measured on June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$835,662 and revenue of \$835,662 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2021 is based upon changes in the collective net pension liability with a measurement period of June 30, 2019 through June 30, 2020. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2019 and June 30, 2020.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>6/30/2019</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$10,077,460,797	\$9,589,140,982
Collective deferred inflows of resources	\$17,525,379,167	\$14,409,361,877
Collective net pension liability (Nonemployer-State of New Jersey)	\$61,370,943,870	\$65,848,796,740
State's portion of the net pension liability that was associated with the district	\$13,676,871	\$13,438,475
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.022286%	0.020408%

Actuarial assumptions - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45%
Therafter	2.75-5.65%
Investment Rate of Return:	7.00%

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-US devel.markets equi	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yeild	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk mitigation	3.00%	3.40%

Discount rate - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062.

Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2020, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<u>(4.40%)</u>	<u>(5.40%)</u>	<u>(6.40%)</u>

State's Collective Net Pension Liability \$ 77,517,093,055 \$ 65,993,498,688 \$ 56,425,087,777

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fiduciary net position as of June 30, 2020 was \$21,529,179,998.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in the state's pension expense as follows:

	<u>Year Ended June 30:</u>
2021	(\$262,056,928)
2022	(188,358,995)
2023	(774,174,971)
2024	(1,939,112,462)
2025	(1,466,451,639)
Thereafter	<u>(335,285,618)</u>
Total	<u>(\$4,965,440,613)</u>

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2020 are as follows:

Service cost	\$1,643,902,335
Interest on total pension liability	4,680,942,056
Benefit Changes	(16,738,469)
Member contributions	(867,037,595)
Administrative expenses	13,511,148
Expected investment return net of investment expenses	(1,525,370,804)
Pension expense related to specific liabilities of individual employers	4,749,837
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	177,152,462
Changes in assumptions	(394,786,992)
Difference between projected and actual investment earnings on pension plan investments	<u>387,432,792</u>
Total pension expense	<u>\$4,103,756,770</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Summary of Significant Accounting Policies - 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

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

At June 30, 2021, the District reported a liability of \$1,122,384 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The total pension liability for the June 30, 2019 valuation was determined by an experience study for the period July 1, 2014 to June 30, 2018. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2020 and 2019. At June 30, 2020, the District's proportion was 0.00688% which was an increase of 0.0002% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$27,495. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 20,437	\$ 3,969
Changes of assumptions	36,411	469,953
Net difference between projected and actual earnings on pension plan investments	38,364	-
Changes in proportion and differences between District contributions and proportionate share of contributions	93,213	50,130
District contributions subsequent to the measurement date	75,293	
Total	<u>\$ 263,718</u>	<u>\$ 524,052</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

\$75,293 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability measured as of June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2021	(\$124,817)
2022	(113,795)
2023	(65,031)
2024	(26,297)
2025	<u>(5,688)</u>
Total	<u>(\$335,627)</u>

	<u>6/30/2019</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$3,149,522,616	\$2,347,583,337
Collective deferred inflows of resources	7,645,087,574	7,849,949,467
Collective net pension liability (Non State - Local Group)	\$18,018,482,972	\$16,307,384,832
District's portion of net pension liability	\$1,203,695	\$1,122,384
District's proportion %	0.00668033%	0.00688267%

Actuarial assumptions - The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00%-6.00% based on years of service
Thereafter	3.00%-7.00% based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-US devel.markets equi	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yeild	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	1.94%
Risk mitigation	3.00%	3.40%

Discount rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 1,412,894	\$1,122,384	\$ 875,878

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2020 are as follows:

Service cost	\$54,360
Interest on total Pension liability	177,121
Benefit Changes	(1,214)
Member contributions	(38,639)
Administrative expens	924
Expected investment return net of investment expenses	(104,268)
Pension expense related to specific liabilities of individual employers	(484)
Recognition (amortization) of deferred inflows/outflows:	0
Differences between expected and actual experience	12,488
Changes in assumptions	(91,989)
Difference between projected and actual investment earnings on pension plan investments	<u>19,196</u>
Total pension expense	<u>\$27,495</u>

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

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

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

PERS and TPAF Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8: PENSION PLANS (Continued)

<u>Three-Year Trend Information for PERS</u>			
<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/2021	\$75,293	100 %	-0-
6/30/2020	\$65,443	100	-0-
6/30/2019	\$68,200	100	-0-

<u>Three-Year Trend Information for TPAF (Paid on-behalf of the District)</u>			
<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
6/30/2021	\$635,585	100 %	-0-
6/30/2020	\$455,938	100	-0-
6/30/2019	\$447,891	100	-0-

During the fiscal year ended June 30, 2021, the State of New Jersey did contribute \$834,667 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$158,357 during the year ended June 30, 2021, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

Note 9: POST-RETIREMENT BENEFITS

Plan description and benefits provided

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements.

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 9: POST-RETIREMENT BENEFITS-(Continued)

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

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

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

Actuarial assumptions and other imputes The June 30, 2021 GASB 75 reporting is based on a measurement date of June 30, 2020. The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018 and July 1, 2014 - June 30, 2018, for TPAF and PERS, respectively. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary Increases Through 2026:	1.55-4.45% TPAF 2.00-6.00% PERS Based on service years
Salary Increases Thereafter:	1.55-4.45% TPAF 3.00-7.00% PERS Based on service years
Discount rate (2020)	2.21%
Discount rate (2019)	3.50%
Healthcare cost trend rates (PPO Plans)	5.6% decreasing to 4.5% after seven years
Healthcare cost trend rates (Self-insured post 65 PPO Plans)	4.50%
Healthcare cost trend rates (HMO Plans)	5.6% decreasing to 4.5% after seven years
Healthcare cost trend rates (Prescription Drug Benefits)	7.0% decreasing to 4.5% after seven years
Healthcare cost trend rates (Medicare Part B reimbursement)	5.00%

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 9: POST-RETIREMENT BENEFITS-(Continued)

Healthcare cost trend rates (Medicare Advantage) 4.50%

Retirees' share of benefit related Costs Projected health insurance premiums for
retirees based on the retiree's annual
retirement benefit and level of coverage

The discount rate for June 30, 2020 and 2019 was 2.21% and 3.50%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

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

	<u>Total OPEB Liability</u>
The State's Total OPEB Liability Balance at 6/30/2019	\$41,729,081,045
<u>Changes for the year:</u>	
Service Cost	1,790,973,822
Interest on the Total OPEB Liability	1,503,341,357
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	11,544,750,637
Changes of Assumptions	12,386,549,981
Gross Benefit Payments	(1,180,515,618)
Contributions from Members	<u>35,781,384</u>
Net changes	<u>26,080,881,563</u>
The State's Total OPEB Liability Balance at 6/30/2020	<u>\$67,809,962,608</u>
 The State's total OPEB liability attributable to the District:	 \$15,505,323

There were no changes of benefit terms.

Changes of assumptions and other inputs reflects a change in the discount rate from 3.50 percent in 2019 to 2.21 percent in 2020 and other changes.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 9: POST-RETIREMENT BENEFITS-(Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State’s total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

		June 30, 2020		
		At 1% Decrease	At Discount Rate	At 1% Increase
		<u>1.21%</u>	<u>2.21%</u>	<u>3.21%</u>
Total OPEB Liability (School Retirees)		\$81,748,410,002	\$67,809,962,608	\$56,911,439,160
		June 30, 2019		
		At 1% Decrease	At Discount Rate	At 1% Increase
		<u>2.50%</u>	<u>3.50%</u>	<u>4.50%</u>
Total OPEB Liability (School Retirees)		\$49,298,534,898	\$41,729,081,045	\$35,716,321,820

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage- point higher than the current healthcare cost trend rates:

		June 30, 2020		
		At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)		\$54,738,488,540	\$67,809,962,608	\$83,375,182,975
		June 30, 2019		
		At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)		\$34,382,902,820	\$41,729,081,045	\$51,453,912,586

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 9: POST-RETIREMENT BENEFITS-(Continued)

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

For the year ended June 30, 2020, the board of education recognized OPEB expense and related revenue of \$888,237 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$10,295,318,750	(\$9,170,703,615)
Changes of assumptions or other inputs	<u>11,534,251,250</u>	<u>(7,737,500,827)</u>
Total	<u>\$21,829,570,000</u>	<u>(\$16,908,204,442)</u>

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

Year ended June 30:	
2021	\$43,440,417
2022	43,440,417
2023	43,440,417
2024	43,440,417
2025	43,440,417
Thereafter	<u>4,704,163,473</u>
	<u>\$4,921,365,558</u>

NOTE 10: DEFERRED COMPENSATION

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

Life USA
Templeton

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11: COMPENSATED ABSENCES

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

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, no liability existed for compensated absences in the proprietary fund types.

NOTE 12: RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	-	\$5,857	\$8,928	\$47,080
2019-2020	-	\$5,357	\$5,511	\$50,151
2018-2019	-	\$6,118	\$239	\$50,305

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13: CONTINGENT LIABILITIES

GRANT PROGRAMS

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

LITIGATION

There are no material threatened litigations, claims or assessments, including unasserted claims and assessments known to the Board.

NOTE 14: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1)- Of the \$1,414,327 General Fund fund balance at June 30, 2021, \$200,032 is reserved as emergency reserve in accordance with P.L. 2007 c.62; \$19,201 is reserved as maintenance reserve in accordance with P.L. 2007 c.62; \$375,000 is reserved for tuition adjustment in accordance with N.J.A.C. 6A:23-3.1(f)(8); \$635,528 is reserved for Capital Reserve; \$47,080 is reserved for unemployment compensation; \$108,000 is reserved for subsequent years expenditures and was appropriated and included as anticipated revenue for the year ending June 30, 2022; and \$29,486 is unreserved and undesignated.

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$-0-.

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2021:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	
General Fund	\$ 954	\$ 30,461	
Food Service Fund	30,461	-	
Debt Service Fund	-	954	
	<u>\$ 31,415</u>	<u>\$ 31,415</u>	

The infund balances represent cash received for State and Federal lunch subsidies, but not yet transferred to the food service fund as well as a deficit in the debt service fund. All interfunds were liquidated in the subsequent year.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 17: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Oxford Township School District Board of Education by inclusion of \$20,000 in the 2006-2007 annual capital outlay budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020	\$ 489,513
Budgeted Withdrawal	(165,000)
Interest Earned	77
Deposits (PL 2007 c.62 (A1)): Board Resolution June 24, 2021	310,938
Ending Balance, June 30, 2021	<u>\$ 635,528</u>

NOTE 18: EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by the School District Board of Education in fiscal year 2008, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the emergency reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning balance July 1, 2020	\$ 200,000
Interest Earned	32
Ending balance June 30, 2021	<u>\$ 200,032</u>

NOTE 19: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District Board of Education in fiscal year 2009, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the maintenance reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning balance July 1, 2020	\$ 39,195
Budgeted Withdrawal	(20,000)
Interest Earned	6
Ending balance June 30, 2021	<u>\$ 19,201</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 20: TUITION RESERVE ACCOUNT

A tuition reserve account was established by the School District Board of Education in fiscal year 2020 and 2021, for the accumulation of funds for use in fiscal year 2021 and 2021, respectively, in accordance with NJAC 6A:23A17.1(f). The tuition reserve account is maintained in the general fund and enables the district to reserve fund balance for an anticipated large tuition adjustment for the current contract year. A maximum reserve for the current year is restricted to ten percent of the formal sending/receiving contract amount. Upon certification of rates in the second year following the contract year, full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief.

The district has established a tuition reserve for future tuition adjustments, pursuant to N.J.A.C. 6A:23-3.1(f), in an amount of 10% of the formal receiving/sending contract. \$146,450 has been reserved for the 2019-2020 tuition adjustment due in fiscal year 2021-2021, and \$160,000 has been reserved for the 2020-2021 tuition adjustment due in fiscal year 2021-2021. The tuition reserve for fiscal year 2019-2020 in the amount of \$146,450 has been anticipated as budgeted revenue for the year ending June 30, 2021.

The activity of the tuition reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning balance July 1, 2020	\$ 372,000
Deposits: Board Resolution June 24, 2021	176,000
Budgeted Withdrawal	<u>(173,000)</u>
Ending balance June 30, 2021	<u>\$ 375,000</u>

NOTE 21: TUITION ADJUSTMENTS

A comparison of tentative tuition charges and actual certified tuition charges was made by the receiving district (Warren Hills Regional School District) for fiscal year 2018-2019 and certified by the state department. The resulting 2018-2019 tuition adjustment of \$40,814 in accordance with N.J.A.C 6a:23-3.1(f)3, is due in fiscal year 2020-2021. The amount owed to the regional school district of \$40,814 for the 2018-2019 tuition adjustment was paid on May 20, 2021.

NOTE 22: 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 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.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 23: PRIOR PERIOD ADJUSTMENT

Restatement of Prior Period:

As the Unemployment Fund does not meet the definition of a fiduciary activity prescribed in GASB No. 84 paragraph 11, the Unemployment Fund is to be reported in the general fund. However, these funds are restricted pursuant to N.J.S.A. 43:21-7.3(g). Accordingly, as use of these funds are restricted by statute, any unemployment net position at 7/1/2020 should be classified as restricted fund balance in the *general fund*.

As the Student Activities Fund does not meet the definition of a fiduciary activity prescribed in GASB No. 84 paragraph 11, the Student Activities Fund is to be reported in the *special revenue fund*. N.J.A.C. 6A:23A-16.12 governs the establishment and operation of the Student Activity Fund restricting expenditures within the fund and prohibiting the transfer of any unspent balances to any other fund.

The use of scholarship funds is restricted by the contributors. GASB No. 54 paragraph 30 provides that Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes. Therefore, the Scholarship Fund is to be accounted for and reported in the *Special Revenue Fund*.

Governmental Activities Net Position:

Net Position (per A-2), June 30, 2020	\$ 3,052,983
Restricted fund balance for Student Activities per GASB No. 84	30,332
Restricted fund balance for Scholarship Funds per GASB No. 84	8,671
Restricted fund balance for Unemployment Claims per GASB No. 84	<u>50,151</u>
Net Position (per A-2), June 30, 2020, as Restated	<u><u>\$ 3,142,137</u></u>

Governmental Funds:

Net Position (per B-2), June 30, 2020	\$ 1,187,187
Restricted fund balance for Student Activities per GASB No. 84	30,332
Restricted fund balance for Scholarship Funds per GASB No. 84	8,671
Restricted fund balance for Unemployment Claims per GASB No. 84	<u>50,151</u>
Net Position (per B-2), June 30, 2020, as Restated	<u><u>\$ 1,276,341</u></u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2021

	<u>Original</u>	<u>Budget</u>	<u>Final</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
	<u>Budget</u>	<u>Transfers</u>	<u>Budget</u>		
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 4,043,150		\$ 4,043,150	\$ 4,043,150	
Tuition	156,350		156,350	193,867	\$ 37,517
Miscellaneous	42,467		42,467	2,970	(39,497)
Total - Local Sources	4,241,967	-	4,241,967	4,239,987	(1,980)
State Sources:					
Equalization Aid	2,128,685		2,128,685	2,128,685	-
School Choice Aid	180,884		180,884	180,884	-
Transportation Aid	157,585		157,585	157,585	-
Special Education Aid	271,037		271,037	271,037	-
Security Aid	35,263		35,263	35,263	-
Other State Aid	55,000		55,000	117,824	62,824
TPAF Pension (On-Behalf - Non-Budgeted)				635,267	635,267
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				199,082	199,082
TPAF LTD Insurance (On-Behalf - Non-Budgeted)				318	318
TPAF Social Security (Reimbursed - Non-Budgeted)				158,357	158,357
Total State Sources	2,828,454		2,828,454	3,884,302	1,055,848
Federal Sources:					
Medical Assistance Program	5,500		5,500	5,921	421
Total - Federal Sources	5,500		5,500	5,921	421
TOTAL REVENUES	7,075,921		7,075,921	8,130,210	1,054,289

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Pre-Kindergarten - Salaries of Teachers	28,045		28,045	28,045	
Kindergarten - Salaries of Teachers	61,775	125	61,900	61,900	
Grades 1-5 - Salaries of Teachers	722,450	(125)	722,325	688,760	33,565
Grades 6-8 - Salaries of Teachers	606,940	(52,980)	553,960	545,276	8,684
Regular Programs - Home Instruction:					
Salaries of Teachers	8,000		8,000	1,680	6,320
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	143,998	(30,000)	113,998	60,625	53,373
Purchased Technical Services	91,337	(5,113)	86,224	84,461	1,763
Other Purchased Services (400-500 series)	32,500		32,500	26,521	5,979
General Supplies	16,900		16,900	15,900	1,000
Texts Books	14,500	24,250	38,750	38,749	1
Furniture	6,600	5,113	11,713	11,713	
Other Objects					
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,733,045	(58,730)	1,674,315	1,563,630	110,685
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers					
Other Salaries for Instruction					
Total Learning and/or Language Disabilities					
Multiple Disabilities:					
Salaries of Teachers	59,300	(50,450)	8,850		8,850
Other Salaries for Instruction	35,880	(29,884)	5,996		5,996
MH General Supplied	4,000		4,000		4,000
Total Multiple Disabilities	99,180	(80,334)	18,846		18,846
Resource Room/Resource Center:					
Salaries of Teachers	374,525	30,980	405,505	405,505	
General Supplies	750		750	678	72
Total Resource Room/Resource Center	375,275	30,980	406,255	406,183	72

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Autism:					
Salaries of Teachers	62,300		62,300	60,987	1,313
Other Salaries for Instruction	56,810	38,000	94,810	94,668	142
General Supplies	5,000		5,000	3,866	1,134
Total Autism	<u>124,110</u>	<u>38,000</u>	<u>162,110</u>	<u>159,521</u>	<u>2,589</u>
Preschool Disabilities - Part Time:					
Salaries of Teachers	31,345		31,345	29,533	1,812
PHPT Oth Sal In	9,612		9,612		9,612
Total Preschool Disabilities - Part Time	<u>40,957</u>		<u>40,957</u>	<u>29,533</u>	<u>11,424</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>639,522</u>	<u>(11,354)</u>	<u>628,168</u>	<u>595,237</u>	<u>32,931</u>
Basic Skills/Remedial - Instruction:					
School Sponsored Co/Extra Curricular Activities-Instruction:					
Salaries	16,635		16,635	14,150	2,485
Total School Sponsored Co/Extra Curricular Activities-Instruc.	<u>16,635</u>		<u>16,635</u>	<u>14,150</u>	<u>2,485</u>
School Sponsored Athletics-Instruction:					
Salaries	3,100		3,100	900	2,200
Total School Sponsored Athletics-Instruction	<u>3,100</u>		<u>3,100</u>	<u>900</u>	<u>2,200</u>
Before/After School Programs:					
Salaries of Teachers	23,421		23,421	17,107	6,314
Other Salaries for Instruction	8,614		8,614		8,614
Supplies and Materials	1,200		1,200		1,200
Total Before/After School Programs	<u>33,235</u>		<u>33,235</u>	<u>17,107</u>	<u>16,128</u>
TOTAL INSTRUCTION	<u>2,425,537</u>	<u>(70,084)</u>	<u>2,355,453</u>	<u>2,191,024</u>	<u>164,429</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State-Regular	1,561,418		1,561,418	1,561,217	201
Tuition to Other LEAs Within the State-Special	316,260	(1,200)	315,060	315,054	6
Tuition to County Voc. School Dist.-Regular	126,541	23,500	150,041	150,041	
Tuition to County Voc. School Dist.-Special					
Tuition to CSSD & Regional Day Schools					
Tuition to Priv. Sch. For Disabled within State	25,328	57,676	83,004	75,423	7,581
Total Instruction	2,029,547	79,976	2,109,523	2,101,735	7,788
Health Services:					
Salaries	65,625		65,625	61,510	4,115
Purchased Professional and Technical Services	400		400		400
Supplies and Materials	2,175		2,175	1,066	1,109
Other Objects	100		100		100
Total Health Services	68,300		68,300	62,576	5,724
Other Supp. Services Students-Related Services:					
Salaries	55,240		55,240	54,679	561
Purchased Professional-Educational Services	151,833		151,833	107,059	44,774
Supplies and Materials	650		650	479	171
Total Other Supp. Services Students-Related Services	207,723		207,723	162,217	45,506
Other Supp. Services Students-Extra. Services:					
Salaries	53,047		53,047	15,318	37,729
Total Other Supp. Services Students-Extra. Services	53,047		53,047	15,318	37,729
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	181,570	(100)	181,470	178,807	2,663
Salaries of Secretarial and Clerical Assistants	49,832	100	49,932	49,932	
Other Purchased Prof. and Tech. Services	8,500		8,500	825	7,675
Supplies and Materials	1,800		1,800	985	815
Total Other Supp. Services Students-Special	241,702		241,702	230,549	11,153

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Educational Media Services/School Library:					
Salaries	3,780	(1,250)	2,530		2,530
Salaries of Technology Coordinators	32,410		32,410	27,723	4,687
Purchased Prof. and Tech. Services	13,825		13,825	12,929	896
Supplies and Materials	9,500	(400)	9,100	6,605	2,495
Other Objects	2,400	1,650	4,050	4,050	
Total Educational Media Services/School Library	61,915		61,915	51,307	10,608
Instructional Staff Training Services:					
Other Objects	100		100		100
Total Instructional Staff Training Services	100		100		100
Supp. Services - General Administration:					
Salaries	212,219	500	212,719	212,719	
Legal Services	2,750	643	3,393	3,393	
Audit Fees	15,700	320	16,020	16,020	
Architectual Services	3,000	1,504	4,504	937	3,567
Other Purchased Professional Services	800	(500)	300	231	69
Communications/Telephone	5,680	50	5,730	5,718	12
BOE Purchased Services	1,150	(951)	199	199	
Other Purchased Services (400-500 series)	3,350	(600)	2,750	2,380	370
General Supplies	175		175	111	64
Miscellaneous Expenditures	2,845	(916)	1,929	1,929	
BOE Membership Dues & Fees	4,035	274	4,309	4,309	
Total Supp. Services - General Administration	251,704	324	252,028	247,946	4,082
Support Services - School Administration:					
Other Purchased Services (400-500 series)	250		250		250
Other Objects	1,400		1,400	248	1,152
Total Support Services - School Administration	1,650		1,650	248	1,402

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Central Services:					
Salaries	125,880	1,205	127,085	127,085	
Purchased Professional Services	700	(80)	620	595	25
Purchased Technical Services	225		225		225
Misc. Purchased Services (400-500 series)	750	(225)	525	14	511
Supplies and Materials	350		350	337	13
Miscellaneous Expenditures	2,400	(900)	1,500	1,408	92
Total Central Services	130,305		130,305	129,439	866
Required Maintenance for School Facilities:					
Salaries	37,062		37,062	37,062	
Cleaning, Repair and Maintenance Services	58,065	(5,770)	52,295	44,470	7,825
Travel	250		250		250
General Supplies	10,000	(3,448)	6,552	6,552	
Other Objects	8,050	(157)	7,893	6,354	1,539
Total Required Maintenance for School Facilities	113,427	(9,375)	104,052	94,438	9,614
Other Operations and Maintenance of Plant:					
Salaries	80,790		80,790	78,569	2,221
Other Purchased/ Tech Services	4,600		4,600	3,432	1,168
Other Purchased Property Services					
Insurance	42,000	8,048	50,048	48,563	1,485
General Supplies	12,000	(1,650)	10,350	7,483	2,867
Energy (Natural Gas)	23,000	6,810	29,810	29,635	175
Energy (Electricity)	75,000		75,000	61,500	13,500
Other Objects	500		500	266	234
Total Other Operations and Maintenance of Plant	237,890	13,208	251,098	229,448	21,650
Student Transportation Services					
Salaries of Non-Instructional Aides	13,000		13,000	5,839	7,161
Sal. for Pupil Trans (Bet Home & Sch) -Reg.	13,791		13,791	13,791	
Contracted Services - Aid in Lieu of Payments-Nonpublic Sch.	7,000		7,000	1,560	5,440
Contracted Services - Aid in Lieu of Payments-Charter School	1,000		1,000	594	406
Contracted Services (Between Home and School)-Vendors	70,300		70,300	68,458	1,842
Contracted Services (Between Home and School)-Joint Agrmts.	1,000		1,000		1,000
Contracted Services (Special Education Students)-Vendors	41,372		41,372	37,402	3,970
Contracted Services (Special Education Students)-Joint Agrmts.	105,000		105,000	98,165	6,835
Total Student Transportation Services	252,463		252,463	225,809	26,654

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Security					
Salaries		10,400	10,400	10,400	
Total Security		10,400	10,400	10,400	
ALLOCATED BENEFITS					
Regular Programs-Instruction:					
Social Security Contributions	69,282	(9,293)	59,989	50,930	9,059
PERS Contribution Funding	66,000	9,293	75,293	75,293	
Other Retirement Contributions - PERS	6,000		6,000	5,296	704
Other Retirement Contributions - Regular					
Unemployment Compensation	5,000	(3,002)	1,998	3,775	(1,777)
Workman's Compensation	55,000	(9,671)	45,329	44,222	1,107
Health Benefits	833,909		833,909	757,152	76,757
Tuition Reimbursement	18,000		18,000	8,571	9,429
Other Employee Benefits	70,200		70,200	58,854	11,346
Total Regular Programs-Instruction	1,123,391	(12,673)	1,110,718	1,004,093	106,625
TOTAL ALLOCATED BENEFITS	1,123,391	(12,673)	1,110,718	1,004,093	106,625
UNALLOCATED BENEFITS					
On-behalf TPAF pension Contrib. (non-budgeted)				635,267	(635,267)
On-behalf TPAF PRM Contrib. (non-budgeted)				199,082	(199,082)
On-behalf TPAF LTD Ins. (non-budgeted)				318	(318)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				158,357	(158,357)
TOTAL ON-BEHALF CONTRIBUTIONS				993,024	(993,024)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	1,123,391	(12,673)	1,110,718	1,997,117	(886,399)
TOTAL UNDISTRIBUTED EXPENDITURES	4,773,164	81,860	4,855,024	5,558,547	(703,523)
TOTAL GENERAL CURRENT EXPENSE	7,198,701	11,776	7,210,477	7,749,571	(539,094)
CAPITAL OUTLAY					
FACILITIES ACQUISITIONS AND CONSTRUCT. SVCS:					
Architectural/Engineering Services					
Construction Services	165,000		165,000	126,913	38,087
Other Objects	58,207		58,207	58,207	
TOTAL FACILITIES ACQUISITIONS AND CONST. SVCS	223,207		223,207	185,120	38,087

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
TOTAL CAPITAL OUTLAY	223,207		223,207	185,120	38,087
Transfer of Funds to Charter Schools	12,013		12,013	12,013	
TOTAL EXPENDITURES	7,433,921	11,776	7,445,697	7,946,704	(501,007)
Excess (Deficiency of Revenues Over(Under) Expenditures	(358,000)	(11,776)	(369,776)	183,506	553,282
Other Financing Sources:					
Operating Transfer In/(Out)					
Transfer from Capital Projects Fund				3,969	(3,969)
Total Other Financing Sources:	-	-	-	3,969	(3,969)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(358,000)	(11,776)	(369,776)	187,475	549,313
Fund Balance, July 1	1,448,226		1,448,226	1,448,226	
Prior Period Adjustment-Unemployment Fund Net Position as of June 30, 2020	50,151		50,151	50,151	
Fund Balance, July 1 (Restated)	1,498,377		1,498,377	1,498,377	
Fund Balance, June 30	\$ 1,140,377	\$ (11,776)	\$ 1,128,601	\$ 1,685,852	\$ 549,313

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Recapitulation:					
Restricted for:					
Tuition Reserve - FY19-20 Due FY 21-22				199,000	
Tuition Reserve - FY20-21 Due FY 22-23				176,000	
Capital Reserve				635,528	
Emergency Reserve				200,032	
Maintenance Reserve				19,201	
Unemployment Compensation				47,080	
Assigned to:					
Designated for Subsequent Year's Expenditures				108,000	
Unassigned:					
Unrestricted Fund Balance				<u>301,011</u>	
Fund Balance per Governmental Funds(Budgetary Basis)				1,685,852	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				<u>(271,525)</u>	
Fund Balance per Governmental Funds(GAAP Basis B-2)				<u>\$ 1,414,327</u>	

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources		\$ 14,218	\$ 14,218	\$ 14,218	-
Federal Sources	\$ 134,516	35,168	169,684	169,684	-
Total Revenues	134,516	49,386	183,902	183,902	
EXPENDITURES:					
Instruction					
Other Salaries for Instruction	27,985	-	27,985	27,985	
Tuition	56,000	-	56,000	56,000	
General Supplies	30,824	35,168	65,992	65,992	
Total Instruction	114,809	35,168	149,977	149,977	
Support Services					
Purchased Profess.-Tech. Serv.	19,707		19,707	19,707	
Student Activities		5,233	5,233	5,233	
Scholarships		2,899	2,899	2,899	
Total Support Services	19,707	8,132	27,839	27,839	
Total Expenditures	134,516	43,300	177,816	177,816	
Total Outflows	\$ 134,516	\$ 43,300	\$ 177,816	\$ 177,816	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)		6,086	6,086	6,086	
Fund Balance Beginning					-
Prior Period Adjustment *				39,003	
Fund Balance Beginning (Restated)				39,003	
Fund Balance Ending				<u>\$ 45,089</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 9,939	
Student Activities				35,150	
Total Fund Balance				<u>\$ 45,089</u>	

* Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2021

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

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 8,130,210	\$ 183,902
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	N/A
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	267,975	
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(271,525)</u>	<u> -</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 8,126,660</u>	<u>\$ 183,902</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 7,946,704	\$ 177,816
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	N/A
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 7,946,704</u>	<u>\$ 177,816</u>

Oxford Township School District
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years *

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
State's proportionate share of the net pension liability (asset) associated with the District	\$ 13,438,475	\$ 13,676,871	\$ 14,399,212	\$ 14,821,302	\$ 15,494,931	\$ 11,925,111	\$ 10,068,211	\$ 10,806,791		
Total	\$ 13,438,475	\$ 13,676,871	\$ 14,399,212	\$ 14,821,302	\$ 15,494,931	\$ 11,925,111	\$ 10,068,211	\$ 10,806,791		
District's covered employee payroll	\$ 2,199,968	\$ 2,284,904	\$ 2,350,049	\$ 2,199,970	\$ 2,387,841	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622		
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Plan fiduciary net position as a percentage of the total pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%		

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

Exhibit L-1

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
District's proportion of the net pension liability (asset)	0.006882676%	0.006680337%	0.006801606%	0.006348924%	0.006912876%	0.006480391%	0.007850331%	0.006380266%		
District's proportionate share of the net pension liability (asset)	\$ 1,122,384	\$ 1,203,695	\$ 1,339,202	\$ 1,477,928	\$ 2,047,396	\$ 1,454,718	\$ 1,469,797	\$ 1,219,396		
District's covered employee payroll	\$ 354,918	\$ 397,718	\$ 473,177	\$ 462,063	\$ 430,833	\$ 620,747	\$ 681,512	\$ 656,442		
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	316.24%	302.65%	283.02%	319.85%	475.22%	234.35%	215.67%	185.76%		
Plan fiduciary net position as a percentage of the total pension liability (Local)	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%	52.08%	48.72%		

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

Oxford Township School District
 Required Supplementary Information - Part III
 Schedule of District Contributions
 Last Ten Fiscal Years *

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
District's covered employee payroll	\$ 2,199,968	\$ 2,284,904	\$ 2,350,049	\$ 2,199,970	\$ 2,387,841	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622		
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$75,293	\$65,443	\$68,200	\$60,335	\$62,153	\$55,714	\$ 50,523	\$ 45,992		
Contributions in relation to the contractually required contribution	(75,293)	(65,443)	(68,200)	(60,335)	(62,153)	(55,714)	(50,523)	(45,992)		
Contribution deficiency (excess)	-	-	-	-	-	-	-	-		
District's covered employee payroll	\$ 354,918	\$ 397,718	\$ 473,177	\$ 462,063	\$ 430,833	\$ 620,747	\$ 681,512	\$ 656,442		
Contributions as a percentage of covered-employee payroll	21.21%	16.45%	14.41%	13.06%	14.43%	8.98%	7.41%	7.01%		

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

Oxford Township School District
Required Supplementary Information - Part III
Schedule of Changes in the State's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years *

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jersey's Total OPEB Liability	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Service Cost	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319					
Interest	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792					
Change in Benefit Terms										
Differences Between Expected and Actual Experience	11,544,750,637	(7,323,140,818)	(5,002,065,740)							
Benefit Payments	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)					
Contributions from Members	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747					
Changes of Assumptions or other inputs	<u>12,386,549,981</u>	<u>622,184,027</u>	<u>\$ (5,291,448,855)</u>	<u>\$ (7,086,599,129)</u>	<u>8,611,513,521</u>					
Net change in total OPEB liability	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360					
Total OPEB Liability - Beginning	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184	\$ 46,849,651,824					
Total OPEB Liability - Ending	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184					
The State of New Jersey's total OPEB liability **	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184					
The State of New Jersey's OPEB liability attributable to the District **	\$ 15,505,323	\$ 8,818,042	\$ 9,807,448	\$ 11,471,712	\$ 12,378,498					
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero					
District's covered employee payroll	\$ 2,554,886	\$ 2,682,622	\$ 2,823,226	\$ 2,662,033	\$ 2,818,674					
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%					
District's contribution	None	None	None	None	None					
State's covered employee payroll ***	\$ 14,267,738,657	\$ 13,929,083,479	\$ 13,640,275,833	\$ 13,493,400,208	\$ 13,493,400,208					
Total State's OPEB liability as a percentage of its covered-employee payroll	475.27%	299.58%	338.05%	397.53%	428.59%					

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2019 and June 30, 2020 is based on the payroll on the June 30, 2018 and June 30, 2019 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

OXFORD SCHOOL DISTRICT

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post Employment Benefits (OPEB) Schedules**

For the Fiscal Year Ended June 30, 2021

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

Changes of benefit terms. 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.

Changes of assumptions. Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

OPEB Schedules

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

Changes of benefit terms. There were no changes of benefit terms.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.50 percent in 2019 to 2.21 percent in 2020.

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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.

Changes of assumptions. Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020

OPEB Schedules

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

Changes of benefit terms. There were no changes of benefit terms.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.50 percent in 2019 to 2.21 percent in 2020.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit E-1

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2021

	Title I Part A	Title II Part A	Title IV	IDEA Basic	IDEA Pre-Sch.	CARES	CORONA Relief Fund	REAP	Student Activities	Scholarship Fund	Totals
REVENUES											
Local Sources									\$ 10,051	\$ 4,167	\$ 14,218
Federal Sources	\$ 31,045	\$ 5,575	\$ 10,000	\$ 61,224	\$ 2,672	\$ 14,616	\$ 16,989	\$ 27,563			169,684
TOTAL REVENUES	31,045	5,575	10,000	61,224	2,672	14,616	16,989	27,563	10,051	4,167	183,902
EXPENDITURES:											
Instruction:											
Other Salaries for Instruction	27,985										27,985
Tuition				56,000							56,000
General Supplies				5,224	1,600	14,616	16,989	27,563			65,992
Total Instruction	27,985			61,224	1,600	14,616	16,989	27,563			149,977
Support Services:											
Purchased Profess.-Tech. Serv.	3,060	5,575	10,000		1,072						19,707
Student Activities									5,233		5,233
Scholarships										2,899	2,899
Total Support Services	3,060	5,575	10,000		1,072				5,233	2,899	27,839
TOTAL EXPENDITURES	31,045	5,575	10,000	61,224	2,672	14,616	16,989	27,563	5,233	2,899	177,816
Total Outflows	31,045	5,575	10,000	61,224	2,672	14,616	16,989	27,563	5,233	2,899	177,816
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	4,818	1,268	6,086
Fund Balance Beginning	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment *	-	-	-	-	-	-	-	-	30,332	8,671	39,003
Fund Balance Beginning (Restated)	-	-	-	-	-	-	-	-	30,332	8,671	39,003
Fund Balance Ending	-	-	-	-	-	-	-	-	\$ 35,150	\$ 9,939	\$ 45,089

* Represents the student activity fund ending balance as of June 30, 2020 for payable to student groups

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

OXFORD TOWNSHIP SCHOOL DISTRICT

CAPITAL PROJECTS FUND

SUMMARY STATEMENT OF PROJECT EXPENDITURES

Exhibit F-1

For the Fiscal Year Ended June 30, 2021

	<u>Approval</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Revised Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
					<u>Prior Years</u>	<u>Current Year</u>	
Alterations & Renovations of Central School	Voters	12/09/2008	\$ 1,309,200	\$ 891,222	\$ 891,222	-	-
			\$ 1,309,200	\$ 891,222	\$ 891,222	-	-
					Interest Earnings		-
					Fund Balances, June 30, 2021		-

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2

CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2021

Revenues and Other Financing

Sources

Transfers	\$ (3,969)
Interest Earnings	<u>3</u>
Total Revenues	<u>(3,966)</u>
Excess(deficiency) of revenues over(under) expenditures	(3,966)
Fund Balance - Beginning	<u>\$ 3,966</u>
Fund Balance - Ending	<u><u>-</u></u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2a

CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS
IMPROVEMENTS OF OXFORD CENTRAL SCHOOL

From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior</u> <u>Periods</u>	<u>Current</u> <u>Year</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Costs</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 895,000		\$ 895,000	\$ 895,000
Transfers	-	\$ (3,778)	(3,778)	(3,778)
Total Revenues	<u>895,000</u>	<u>(3,778)</u>	<u>891,222</u>	<u>891,222</u>
Expenditures and Other Financing Sources				
Professional Fees	\$ 7,702		\$ 7,702	\$ 7,702
Construction Services	883,520		883,520	883,520
Total Expenditures	<u>891,222</u>	<u>-</u>	<u>891,222</u>	<u>891,222</u>
Excess(deficiency) of revenues over(under) expenditures	<u>\$ 3,778</u>	<u>\$ (3,778)</u>	<u>-</u>	
			<u>Project Fund Balance, 6/30/21</u>	<u>-</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	12/9/2008
Bonds Authorized	\$1,309,200
Bonds Issued	\$1,309,200
Original Authorized Cost	\$1,309,200
Additional Authorized Cost	-\$417,978
Revised Authorized Cost	\$891,222
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	6/30/2012
Revised Target Completion Date	6/30/2013

**PROPRIETARY FUND
DETAIL STATEMENTS**

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

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

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

**FIDUCIARY FUND
DETAIL STATEMENTS**

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-1

**SCHEDULE OF SERIAL BONDS
AS OF ENDED JUNE 30, 2021**

<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, 2020</u>	<u>PAID</u>	<u>BALANCE JUNE 30, 2021</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Refunding Bonds - 2016 (To Advance Refund \$3,725,000 2006 Series Refunding Bonds)	11/03/16	\$ 3,655,000	7/15/21	\$ 200,000	2.000% to 3.25%	\$ 3,120,000	\$ (190,000)	\$ 2,930,000
			7/15/22	205,000				
			7/15/23	210,000				
			7/15/24	220,000				
			7/15/25	225,000				
			7/15/26	240,000				
			7/15/27	245,000				
			7/15/28	255,000				
			7/15/29	265,000				
			7/15/30	275,000				
			7/15/31	290,000				
			7/15/32	300,000				
Total						\$ 3,120,000	\$ (190,000)	\$ 2,930,000

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-2

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>ISSUE</u>	<u>INTEREST RATE</u>	<u>AMOUNT OF ISSUE</u>	<u>BALANCE July 1, 2020</u>	<u>RETIRE</u>	<u>BALANCE June 30, 2021</u>
Security Lease	7.90%	\$ 24,754	\$ 6,676	\$ 5,684	\$ 992
Total			6,676	\$ 5,684	\$ 992

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive/ (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 275,714		\$ 275,714	\$ 275,714	-
State Sources:					
Debt Service Aid Type II					
TOTAL REVENUES	275,714	-	275,714	275,714	-
EXPENDITURES:					
Regular Debt Service:					
Interest	89,638		89,638	89,638	\$ -
Redemption of Principal	190,000		190,000	190,000	
Total Regular Debt Service	279,638		279,638	279,638	-
TOTAL EXPENDITURES	279,638		279,638	279,638	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,924)		(3,924)	(3,924)	-
Fund Balance, July 1	2,970		2,970	2,970	-
Fund Balance, June 30	(954)	-	(954)	(954)	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	-	-	-	-	-

Oxford Township School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	96-101
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	102-105
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	106-109
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	110-111
Operating Information (J-16 thru J-20) These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	112-116

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

Oxford Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets, net of related debt	\$ 3,016,962	\$ 2,966,826	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909	\$ 3,385,026	\$ 3,464,722	\$ 3,464,722	\$ 3,556,403	\$ 3,638,940
Restricted	525,636	672,155	821,913	873,760	1,041,561	895,071	877,890	995,601	1,189,862	1,428,976
Unrestricted	(322,921)	(276,206)	(267,855)	(1,227,625)	(1,494,498)	(1,662,664)	(1,555,863)	(1,492,526)	(1,604,128)	(1,595,008)
Total governmental activities Net Position	<u>\$ 3,219,677</u>	<u>\$ 3,362,775</u>	<u>\$ 3,520,884</u>	<u>\$ 2,612,961</u>	<u>\$ 2,755,972</u>	<u>\$ 2,617,433</u>	<u>\$ 2,786,749</u>	<u>\$ 2,967,797</u>	<u>\$ 3,142,137</u>	<u>\$ 3,472,908</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 1,360	\$ 680	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,490	9,661	14,265	12,556	16,191	17,256	13,834	17,899	16,054	36,052
Total business-type activities Net Position	<u>\$ 2,850</u>	<u>\$ 10,341</u>	<u>\$ 14,265</u>	<u>\$ 12,556</u>	<u>\$ 16,191</u>	<u>\$ 17,256</u>	<u>\$ 13,834</u>	<u>\$ 17,899</u>	<u>\$ 16,054</u>	<u>\$ 36,052</u>
District-wide										
Invested in capital assets, net of related debt	\$ 3,018,322	\$ 2,967,506	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909	\$ 3,385,026	\$ 3,464,722	\$ 3,464,722	\$ 3,556,403	\$ 3,638,940
Restricted	525,636	672,155	821,913	873,760	1,041,561	895,071	877,890	995,601	1,189,862	1,428,976
Unrestricted	(321,431)	(266,545)	(253,590)	(1,215,069)	(1,478,307)	(1,645,408)	(1,542,029)	(1,474,627)	(1,588,074)	(1,558,956)
Total district Net Position	<u>\$ 3,222,527</u>	<u>\$ 3,373,116</u>	<u>\$ 3,535,149</u>	<u>\$ 2,625,517</u>	<u>\$ 2,772,163</u>	<u>\$ 2,634,689</u>	<u>\$ 2,800,583</u>	<u>\$ 2,985,696</u>	<u>\$ 3,158,191</u>	<u>\$ 3,508,960</u>

Source: ACFR Schedule A-1

Oxford Township School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities										
Instruction										
Regular	\$ 2,215,978	\$ 2,657,738	\$ 2,895,617	\$ 3,130,979	\$ 3,380,694	\$ 3,935,652	\$ 4,101,980	\$ 3,853,945	\$ 3,663,321	\$ 4,024,063
Special education	618,358	514,370	514,631	527,952	687,052	716,847	794,038	757,014	860,647	834,319
Other special instruction	21,994	42,224	36,658	44,170	43,709	60,656	75,175	70,563	55,591	45,073
Support Services:										
Tuition	1,875,062	1,571,200	1,474,776	1,776,420	1,579,064	1,663,660	1,699,963	1,911,850	2,197,270	2,101,735
Student & instruction related services	684,450	634,512	644,866	781,910	687,805	828,595	860,037	911,491	733,245	770,640
School administrative service	130,959	131,451	130,782	148,349	154,385	170,499	988	1,127	253	348
General and business admin.services	432,059	375,919	356,938	409,769	428,055	476,189	539,589	480,228	477,771	543,542
Plant operations and maintenance	396,999	361,349	354,903	386,997	393,108	483,723	510,480	430,123	391,602	453,978
Pupil transportation	169,878	186,588	211,848	213,251	242,200	274,564	253,497	204,812	231,458	225,809
Special schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	232,984	264,835	253,782	244,973	236,040	130,519	166,054	157,707	92,718	145,233
Total governmental activities expenses	<u>6,778,721</u>	<u>6,740,186</u>	<u>6,874,801</u>	<u>7,664,770</u>	<u>7,832,112</u>	<u>8,740,904</u>	<u>9,001,801</u>	<u>8,778,860</u>	<u>8,703,876</u>	<u>9,144,740</u>
Business-type activities:										
Food service	77,713	88,606	91,134	99,552	101,551	91,698	89,930	85,940	69,751	74,361
Total business-type activities expense	<u>77,713</u>	<u>88,606</u>	<u>91,134</u>	<u>99,552</u>	<u>101,551</u>	<u>91,698</u>	<u>89,930</u>	<u>85,940</u>	<u>69,751</u>	<u>74,361</u>
Total district expenses	<u>\$ 6,856,434</u>	<u>\$ 6,828,792</u>	<u>\$ 6,965,935</u>	<u>\$ 7,764,322</u>	<u>\$ 7,933,663</u>	<u>\$ 8,832,602</u>	<u>\$ 9,091,731</u>	<u>\$ 8,864,800</u>	<u>\$ 8,773,627</u>	<u>\$ 9,219,101</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Business and other support services		64,000	102,446	81,676	82,082	96,697	136,652	204,300	237,390	\$ 203,918
Operating grants and contributions	\$ 2,998,720	\$ 3,148,052	\$ 3,216,059	\$ 3,703,912	\$ 3,916,599	\$ 4,398,525	\$ 4,951,055	\$ 4,574,377	\$ 4,310,941	4,945,589
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>2,998,720</u>	<u>3,212,052</u>	<u>3,318,505</u>	<u>3,785,588</u>	<u>3,998,681</u>	<u>4,495,222</u>	<u>5,087,707</u>	<u>4,778,677</u>	<u>4,548,331</u>	<u>5,149,507</u>
Business-type activities:										
Charges for services										
Business and other support services	53,026	54,164	59,046	55,950	55,797	57,110	52,161	57,365	35,531	236
Operating grants and contributions	23,954	29,067	35,606	40,229	47,662	35,653	34,295	32,640	32,375	94,123
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>76,980</u>	<u>83,231</u>	<u>94,652</u>	<u>96,179</u>	<u>103,459</u>	<u>92,763</u>	<u>86,456</u>	<u>90,005</u>	<u>67,906</u>	<u>94,359</u>
Total district program revenues	<u>\$ 3,075,700</u>	<u>\$ 3,295,283</u>	<u>\$ 3,413,157</u>	<u>\$ 3,881,767</u>	<u>\$ 4,102,140</u>	<u>\$ 4,587,985</u>	<u>\$ 5,174,163</u>	<u>\$ 4,868,682</u>	<u>\$ 4,616,237</u>	<u>\$ 5,243,866</u>
Net (Expense)/Revenue										
Governmental activities	\$ (3,780,001)	\$ (3,528,134)	\$ (3,556,296)	\$ (3,879,182)	\$ (3,833,431)	\$ (4,245,682)	\$ (3,914,094)	\$ (4,000,183)	\$ (4,155,545)	\$ (3,995,233)
Business-type activities	(733)	(5,375)	3,518	(3,373)	1,908	1,065	(3,474)	4,065	(1,845)	19,998
Total district-wide net expense	<u>\$ (3,780,734)</u>	<u>\$ (3,533,509)</u>	<u>\$ (3,552,778)</u>	<u>\$ (3,882,555)</u>	<u>\$ (3,831,523)</u>	<u>\$ (4,244,617)</u>	<u>\$ (3,917,568)</u>	<u>\$ (3,996,118)</u>	<u>\$ (4,157,390)</u>	<u>\$ (3,975,235)</u>

Continued

Oxford Township School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 3,230,838	\$ 3,292,340	\$ 3,313,997	\$ 3,521,660	\$ 3,586,163	\$ 3,677,872	\$ 3,721,033	\$ 3,795,166	\$ 3,950,009	\$ 4,043,150
Taxes levied for debt service	299,034	375,216	382,783	385,775	386,384	384,008	349,422	367,979	278,163	275,714
Investment earnings	1,227	320	163	277	932	2,124	2,813	8,790	9,517	238
Miscellaneous income	34,913	3,356	17,462	31,376	2,963	43,139	10,142	9,296	3,042	6,902
Federal and State Aid for Capital Assets Projects	-									
Transfers	-									
Total governmental activities	<u>3,566,012</u>	<u>3,671,232</u>	<u>3,714,405</u>	<u>3,939,088</u>	<u>3,976,442</u>	<u>4,107,143</u>	<u>4,083,410</u>	<u>4,181,231</u>	<u>4,240,731</u>	<u>4,326,004</u>
Business-type activities:										
Investment earnings	543	166	406	1,664	1,727	-	52	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>543</u>	<u>166</u>	<u>406</u>	<u>1,664</u>	<u>1,727</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 3,566,555</u>	<u>\$ 3,671,398</u>	<u>\$ 3,714,811</u>	<u>\$ 3,940,752</u>	<u>\$ 3,978,169</u>	<u>\$ 4,107,143</u>	<u>\$ 4,083,462</u>	<u>\$ 4,181,231</u>	<u>\$ 4,240,731</u>	<u>\$ 4,326,004</u>
Change in Net Position										
Governmental activities	\$ (213,989)	\$ 143,098	\$ 158,109	\$ 59,906	\$ 143,011	\$ (138,539)	\$ 169,316	\$ 181,048	\$ 85,186	\$ 330,771
Business-type activities	(190)	(5,209)	3,924	(1,709)	3,635	1,065	(3,422)	4,065	(1,845)	19,998
Total district	<u>\$ (214,179)</u>	<u>\$ 137,889</u>	<u>\$ 162,033</u>	<u>\$ 58,197</u>	<u>\$ 146,646</u>	<u>\$ (137,474)</u>	<u>\$ 165,894</u>	<u>\$ 185,113</u>	<u>\$ 83,341</u>	<u>\$ 350,769</u>

Source: ACFR Schedule A-2

Oxford Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	2012		2013		2014		2015		Fiscal Year Ending June 30,		2016		2017		2018		2019		2020		2021		
General Fund																							
Reserved	\$	468,641	\$	617,155	\$	758,615	\$	840,292	\$	956,561	\$	804,026	\$	908,089	\$	1,043,065	\$	1,150,859	\$	1,276,841			
Unreserved		(48,604)		13,927		113,984		81,621		107,857		117,167		121,191		13,762		79,543		137,486			
Total general fund	\$	<u>420,037</u>	\$	<u>631,082</u>	\$	<u>872,599</u>	\$	<u>921,913</u>	\$	<u>1,064,418</u>	\$	<u>921,193</u>	#	<u>\$ 1,029,280</u>	\$	<u>1,056,827</u>	\$	<u>1,230,402</u>	\$	<u>1,414,327</u>			
All Other Governmental Funds																							
Reserved	\$	20,350																\$	39,003	\$	45,089		
Unreserved, reported in:																							
Special revenue fund		16		90	\$	75																	
Capital projects fund		3,778		3,778		3,778		3,783	\$	3,789	\$	3,803	\$	3,846	\$	3,924		3,966		-			
Debt service fund		-		-		-		-		-		1,339		1,339		-		2,970		(954)			
Total all other governmental funds		<u>24,144</u>	\$	<u>3,868</u>	\$	<u>3,853</u>	\$	<u>3,783</u>	\$	<u>3,789</u>	\$	<u>5,142</u>	\$	<u>5,185</u>	\$	<u>3,924</u>	\$	<u>45,939</u>	\$	<u>44,135</u>			

Source: ACFR Schedule B-1

**Oxford Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

Exhibit J-4

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues										
Tax levy	\$ 3,529,872	\$ 3,667,556	\$ 3,696,780	\$ 3,907,435	\$ 3,972,547	\$ 4,061,880	\$ 4,070,455	\$ 4,163,145	\$ 4,228,172	\$ 4,318,864
Tuition	25	64,000	102,446	81,676	82,082	96,697	136,652	204,300	237,390	193,867
Miscellaneous	36,115	3,676	17,625	31,653	3,895	45,263	12,955	18,086	12,559	17,191
State sources	2,775,750	3,019,691	3,095,790	3,139,301	3,197,807	3,341,766	3,505,444	3,696,142	3,677,599	3,880,752
Federal sources	222,970	128,361	120,269	124,852	148,359	140,499	154,294	150,793	151,336	175,605
Total revenue	6,564,732	6,883,284	7,032,910	7,284,917	7,404,690	7,686,105	7,879,800	8,232,466	8,307,056	8,586,279
Expenditures										
Instruction										
Regular Instruction	1,709,886	2,087,738	2,340,766	2,385,261	2,487,292	2,681,578	2,641,137	2,693,011	2,572,143	2,717,700
Special education instruction	566,611	462,209	476,683	438,022	552,513	531,080	551,156	572,045	679,153	595,237
Other special instruction	20,193	37,942	33,955	36,646	35,150	44,937	52,180	53,322	43,868	32,157
Support Services:										
Tuition	1,875,062	1,571,200	1,474,776	1,776,420	1,579,064	1,663,660	1,699,963	1,911,850	2,197,270	2,101,735
Student & instruction related services	627,172	570,168	597,315	648,722	553,119	613,869	596,967	688,777	578,618	549,806
School administrative services	120,000	118,121	121,138	123,080	124,153	126,315	686	852	200	248
Other administrative services	395,902	337,798	330,618	339,970	344,233	352,787	374,538	362,889	377,018	387,785
Plant operations and maintenance	363,776	324,706	328,733	321,077	316,129	358,369	354,333	325,027	309,021	323,886
Pupil transportation	169,878	186,588	211,848	213,251	242,200	274,564	253,497	204,812	231,458	225,809
Unallocated employee benefits	342,686	434,786	363,853	430,716	514,147	616,947	718,588	817,417	788,269	993,024
Summer School	-	-	-	-	-	-	-	-	-	-
Charter School	33,961	43,609	-	-	-	55,281	55,155	37,083	36,527	12,013
Capital Outlay	39,616	78,099	58,207	67,635	58,207	58,207	58,207	86,882	91,882	185,120
Debt service:										
Principal	105,000	210,000	255,000	265,000	275,000	280,000	305,000	350,000	180,000	190,000
Interest and other charges	202,222	229,551	198,516	189,873	180,972	170,383	110,263	102,213	95,193	89,638
Total expenditures	6,571,965	6,692,515	6,791,408	7,235,673	7,262,179	7,827,977	7,771,670	8,206,180	8,180,620	8,404,158
Excess (Deficiency) of revenues over (under) expenditures	(7,233)	190,769	241,502	49,244	142,511	(141,872)	108,130	26,286	126,436	182,121
Other Financing Sources (uses)										
Bond Proceeds										
Transfers in										
Transfers out										
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ (7,233)	\$ 190,769	\$ 241,502	\$ 49,244	\$ 142,511	\$ (141,872)	\$ 108,130	\$ 26,286	\$ 126,436	\$ 182,121
Debt service as a percentage of noncapital expenditures	4.7%	6.6%	6.7%	6.3%	6.3%	5.8%	5.4%	5.6%	3.4%	3.4%

Source: ACFR Schedule B-2

OXFORD TOWNSHIP SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2012	\$ 1,227	\$ 233	\$ 31,686	\$ 2,994	\$ 36,140
2013	320	439	64,000	2,917	67,676
2014	163	15,998	102,446	1,464	120,071
2015	277	29,859	81,676	1,512	113,324
2016	932	231	82,082	2,726	85,971
2017	2,124	40,612	96,697	2,513	141,946
2018	2,813		136,652	10,099	149,564
2019	8,790		204,300	9,218	222,308
2020	9,517		237,390	3,000	249,907
2021	238		193,867	2,732	196,837

SOURCE: District Records

**Oxford Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2012	\$5,231,300	\$184,134,000	\$4,865,400	\$229,000	\$7,784,800	\$3,772,900	-	\$251,448,296	\$44,553,700	\$877,196	\$206,894,596	\$1.775	\$220,606,963
2013	5,057,400	183,999,900	4,766,000	229,200	7,872,400	3,772,900	-	250,900,957	44,323,100	880,057	206,577,857	1.801	215,391,965
2014	4,973,800	182,973,100	4,746,000	229,200	7,946,700	3,422,900	\$1,000,000	248,384,500	43,092,800	-	205,291,700	1.848	199,551,637
2015	7,790,100	181,066,400	4,798,100	238,200	7,719,200	3,125,900	1,000,000	249,059,900	43,322,000	-	205,737,900	2.021	187,942,229
2016	6,666,400	178,106,980	4,766,200	238,200	7,826,800	3,125,900	1,000,000	245,625,980	43,895,500	-	201,930,480	2.558	175,258,623
2017	4,259,200	140,571,600	3,825,400	256,900	6,729,000	2,182,500	971,200	200,577,635	41,781,835	-	158,795,800	2.557	176,503,508
2018	3,988,600	141,410,500	3,798,300	256,800	6,563,700	2,182,500	971,200	200,402,535	41,230,935	-	159,171,600	2.625	168,293,070
2019	3,726,400	140,974,800	3,936,200	259,500	6,563,700	2,182,500	971,200	200,226,135	41,611,835	-	158,614,300	2.667	158,614,300
2020	3,542,300	141,127,100	3,936,200	259,400	6,490,700	2,182,500	971,200	200,174,035	41,664,635	-	158,509,400	2.727	179,029,648
2021	3,498,600	140,886,500	4,089,600	266,000	6,490,700	2,182,500	971,200	200,133,835	41,748,735	-	158,385,100	2.727	180,253,826

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

**Oxford Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Oxford Township Board of Education						Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Oxford Township	Library	Warren County	
2012	\$1.561	\$0.145	\$1.706	\$0.309	\$0.052	\$0.626	\$2.693
2013	\$1.593	\$0.182	\$1.775	\$0.326	\$0.049	\$0.652	\$2.802
2014	\$1.615	\$0.186	\$1.801	\$0.345	\$0.049	\$0.643	\$2.838
2015	\$1.660	\$0.188	\$1.848	\$0.363	\$0.049	\$0.651	\$2.911
2016	\$1.829	\$0.192	\$2.021	\$0.414	\$0.000	\$0.669	\$3.104
2017	\$2.316	\$0.242	\$2.558	\$0.547	\$0.000	\$0.844	\$3.949
2018	\$2.337	\$0.220	\$2.557	\$0.564	\$0.000	\$0.805	\$3.926
2019	\$2.393	\$0.232	\$2.625	\$0.579	\$0.000	\$0.812	\$4.016
2020	\$2.492	\$0.175	\$2.667	\$0.625	\$0.000	\$0.809	\$4.101
2021	\$2.553	\$0.174	\$2.727	\$0.644	\$0.000	\$0.801	\$4.172

Source: District Records and Municipal Tax Collector

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

**Oxford Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2021			2011		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Individual Taxpayer #1	\$ 2,207,200	1	1.39%	\$ 921,400	4	0.45%
Tilcon Materials, Inc.	2,113,700	2	1.33%			
Individual Taxpayer #2	1,656,400	3	1.05%			
Individual Taxpayer #3	1,163,200	4	0.73%	722,743	5	0.35%
Oxford Textile	1,446,100	5	0.91%	3,505,600	1	1.69%
Oxford Manor	1,000,000	6	0.63%			
Individual Taxpayer #4	750,100	7	0.47%	319,000	8	0.15%
Individual Taxpayer #5	732,700	8	0.46%	411,400	7	0.20%
HCBOREO 1, LLC	710,600	9	0.45%			
Individual Taxpayer #6	621,300	10	0.39%			
Oxford Quarry, Inc.				1,592,500	2	0.77%
Skyland Development L.P.				1,090,100	3	0.53%
Oxtech Industries, Inc.				641,000	6	0.31%
Total	<u>\$ 12,401,300</u>		<u>7.83%</u>	<u>\$ 9,203,743</u>		<u>4.45%</u>

Source: District ACFR & Municipal Tax Assessor

**Oxford Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

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	
2012	\$3,529,872	\$3,529,872	100.00%	-
2013	\$3,667,556	\$3,667,556	100.00%	-
2014	\$3,696,780	\$3,696,780	100.00%	-
2015	\$3,907,435	\$3,907,435	100.00%	-
2016	\$3,972,547	\$3,972,547	100.00%	-
2017	\$4,061,880	\$4,061,880	100.00%	-
2018	\$4,070,455	\$4,070,455	100.00%	-
2019	\$4,163,145	\$4,163,145	100.00%	-
2020	\$4,228,172	\$4,228,172	100.00%	-
2021	\$4,318,864	\$4,318,864	100.00%	-

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

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

**Oxford Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2012	\$5,310,000	-0-	-0-	-0-	-0-	\$5,310,000	4.54%	\$2,147	
2013	\$5,100,000	-0-	-0-	-0-	-0-	\$5,100,000	4.27%	\$2,077	
2014	\$4,845,000	-0-	-0-	-0-	-0-	\$4,845,000	3.91%	\$1,969	
2015	\$4,580,000	-0-	-0-	-0-	-0-	\$4,580,000	3.62%	\$1,863	
2016	\$4,305,000	-0-	-0-	-0-	-0-	\$4,305,000	3.41%	\$1,753	
2017	\$3,955,000	-0-	-0-	-0-	-0-	\$3,955,000	3.13%	\$1,612	
2018	\$3,650,000	-0-	-0-	-0-	-0-	\$3,650,000	2.92%	\$1,500	
2019	\$3,300,000	-0-	-0-	-0-	-0-	\$3,300,000	2.53%	\$1,356	
2020	\$3,120,000	-0-	-0-	-0-	-0-	\$3,120,000	2.30%	\$1,288	
2021	\$2,930,000	-0-	-0-	-0-	-0-	\$2,930,000	2.09%	\$1,208 *	

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

* Current data unavailable

Oxford Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Exhibit J-11

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2012	\$5,310,000	-0-	\$5,310,000	2.57%	\$2,147
2013	\$5,100,000	-0-	\$5,100,000	2.47%	\$2,077
2014	\$4,845,000	-0-	\$4,845,000	2.36%	\$1,969
2015	\$4,580,000	-0-	\$4,580,000	2.23%	\$1,863
2016	\$4,305,000	-0-	\$4,305,000	2.13%	\$1,753
2017	\$3,955,000	-0-	\$3,955,000	2.49%	\$1,612
2018	\$3,650,000	-0-	\$3,650,000	2.29%	\$1,500
2019	\$3,300,000	-0-	\$3,300,000	2.08%	\$1,356
2020	\$3,120,000	-0-	\$3,120,000	1.97%	\$1,288
2021	\$2,930,000	-0-	\$2,930,000	1.85%	\$1,208

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

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

b Population data can be found in Exhibit NJ J-14.

**Oxford Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2021**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Oxford	\$ 1,083,188	100.000%	\$ 1,083,188
Other debt			
Warren County	1,765,000	1.612%	<u>28,458</u>
Subtotal, overlapping debt			1,111,646
Oxford Township School District Direct Debt			<u>2,930,000</u>
Total direct and overlapping debt			<u><u>\$ 4,041,646</u></u>

Sources: Township Finance Officer, Warren County Finance Office and Utility Authorities

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

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

Oxford Township School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized valuation basis

2018	\$	178,138,252
2019		179,390,448
2020		180,253,826
[A]	\$	<u>537,782,526</u>

Average equalized valuation of taxable property [A/3] \$ 179,260,842

Debt limit (3 % of average equalization value) [B] 5,377,825

Net school debt [C] 2,930,000

Legal debt margin [B-C] \$ 2,447,825

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$6,652,693	\$6,306,417	\$5,982,795	\$5,624,530	\$5,392,215	\$5,198,038	\$5,181,872	\$5,209,687	\$5,334,867	\$ 5,377,825
Total net debt applicable to limit	<u>5,310,000</u>	<u>5,100,000</u>	<u>4,845,000</u>	<u>4,580,000</u>	<u>4,305,000</u>	<u>3,955,000</u>	<u>3,650,000</u>	<u>3,300,000</u>	<u>3,120,000</u>	<u>2,930,000</u>
Legal debt margin	<u>\$1,342,693</u>	<u>\$1,206,417</u>	<u>\$1,137,795</u>	<u>\$1,044,530</u>	<u>\$1,087,215</u>	<u>\$1,243,038</u>	<u>\$1,531,872</u>	<u>\$1,909,687</u>	<u>\$2,214,867</u>	<u>\$2,447,825</u>
Total net debt applicable to the limit as a percentage of debt limit	79.82%	80.87%	80.98%	81.43%	79.84%	76.09%	70.44%	63.34%	58.48%	54.48%

Source: Abstract of Ratables and District Records ACFR Schedule J-7

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

**Oxford Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>
2012	2,500	\$ 116,744,697	\$47,099 R	14.6%
2013	2,481	\$ 116,883,872	\$47,606 R	8.3%
2014	2,466	\$ 119,308,090	\$49,212 R	6.7%
2015	2,471	\$ 123,975,336	\$51,146 R	6.1%
2016	2,463	\$ 126,525,386	\$52,006 R	5.0%
2017	2,447	\$ 126,371,024	\$53,669 R	4.6%
2018	2,436	\$ 126,268,116	\$55,448 R	4.4%
2019	2,432	\$ 130,240,923	\$57,854 R	3.3%
2020	2,427	\$ 135,772,476	\$57,854 *	9.3%
2021	2,426	\$ 140,353,804	\$57,854 *	*

Source:

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

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

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

R =Revised

P =Projected

* Current data unavailable

Oxford Township School District
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

N/A

Employer	2021			2012		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
		6	0.00%			0.00%
		7	0.00%			0.00%
		8	0.00%			0.00%
		9	0.00%			0.00%
		10	0.00%			0.00%
	<hr/>		<hr/>	<hr/>		<hr/>
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Source:

No reliable information is available at the local or county level.

**Oxford Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

Exhibit J-16

<u>Function/Program</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>	<u>2020</u>	<u>2021</u>
Instruction										
Regular	20.5	22.0	23.0	24.0	24.0	24.0	22.0	22.0	21.5	21.5
Special education	8	8.0	7.5	7.0	7.0	7.0	9.5	9.5	8.5	8.0
Other special education	10	12.5	14.2	14.0	14.0	14.5	17.0	21.5	14.0	15.0
Support Services:										
Student & instruction related services	4	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.5	3.5
School administrative services	4	4.0	4.0	4.0	4.0	4.0	3.0	3.0	2.0	2.0
Business administrative services	3	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant operations and maintenance	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Food Service	-					0.3	0.3	0.3	0.3	0.3
Total	52.5	56.0	58.2	58.5	58.5	59.3	61.3	65.8	56.3	55.8

Source: District Personnel Records

Oxford Township School District
 Operating Statistics
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary					
2012	417	\$ 6,264,703	\$ 15,023	-2.60%	29	1/14.4		278.0	266.0	-1.14%	95.7%
2013	437	6,252,964	14,309	-4.76%	30	1/14.6		305.0	293.0	9.71%	96.1%
2014	439	6,337,892	14,437	0.90%	31	1/14.2		313.0	303.0	2.62%	96.8%
2015	432	6,780,800	15,696	8.72%	31	1/13.9		308.1	296.9	-1.57%	96.4%
2016	422	6,806,207	16,128	2.75%	31	1/13.6		309.9	297.8	0.58%	96.1%
2017	422	7,377,594	17,482	8.40%	31	1/13.6		292.2	281.1	-5.71%	96.2%
2018	384	7,356,407	19,157	9.58%	32	1/12.2		276.4	265.1	-5.41%	95.9%
2019	411	7,753,967	18,866	-1.52%	32	1/12.8		273.3	259.9	-1.12%	95.1%
2020	376	7,905,427	21,025	11.44%	30	1/12.5		268.0	257.8	-1.94%	96.2%
2021	336	8,124,520	24,180	15.01%	30	1/11.4		257.6	244.2	-3.88%	94.8%

Sources: District records, ASSA and Schedule J-4

Note: Enrollment based on annual October district count.

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

**Oxford Township School District
School Building Information
Last Ten Fiscal Years**

Exhibit J-18

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>District Building</u>										
<u>Elementary</u>										
Oxford Central (1923)										
Square Feet	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554
Capacity (students)	378	378	378	378	378	378	378	378	378	378
Enrollment	278	305	313	308	310	292	283	274	270	260

Number of Schools at June 30, 2021

Source: District records, ASSA

Elementary = 1

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

OXFORD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2021

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</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>	<u>2020</u>	<u>2021</u>	<u>Total</u>
Oxford Central School	N/A	<u>\$86,256</u>	<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$151,670</u>	<u>\$139,540</u>	<u>\$114,229</u>	<u>\$98,697</u>	<u>\$94,438</u>	<u>\$1,070,257</u>
Total School Facilities		86,256	87,737	86,429	99,483	111,778	151,670	139,540	114,229	98,697	94,438	1,070,257
Other Facilities		<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Grand Total		<u>\$86,256</u>	<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$151,670</u>	<u>\$139,540</u>	<u>\$114,229</u>	<u>\$98,697</u>	<u>\$94,438</u>	<u>\$1,070,257</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

INSURANCE SCHEDULE

JUNE 30, 2021

UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
COMPREHENSIVE PACKAGE POLICY - School Alliance Insurance Fund		
Property-Blanket Building and Contents	\$ 500,000,000	\$ 2,500
Builders Risk	25,000,000	1,000
Fine Arts Coverage	2,500,000	1,000
Employee Dishonesty (Per Loss)	400,000	1,000
Money and Securities (in and out)	2,500,000	1,000
Comprehensive General Liability:		
Occurrence Limit	5,000,000	None
Comprehensive Automobile Liability	5,000,000	None
Workers' Compensation	Statutory	None
School Board Liability	5,000,000	5,000
Environmental Impairment Liability	1,000,000	10,000
PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE		
BLANKET POSITION BOND - Selective Insurance Company		
School Board Secretary/School Business Administrator	165,000	

SOURCE: District Records

Single Audit Section



ARDITO & COMPANY LLC

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Anthony Ardito, CPA, RMA, CMFO, PSA

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Oxford Township School District
 County of Warren
 Oxford, New Jersey 07863

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Oxford Township School District Board of Education's basic financial statements, and have issued our report thereon dated January 26, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

-Continued-

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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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** or audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Ardito & Company LLC

ARDITO & COMPANY LLC
January 26, 2022

Anthony Ardito

Anthony Ardito
Licensed Public School Accountant No. 2369



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Anthony Ardito, CPA, RMA, CMFO, PSA

Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by New Jersey OMB Circulars 15-08

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Oxford Township School District
 County of Warren
 Oxford, New Jersey 07863

Report on Compliance for Each Major State Program

We have audited the Oxford Township School District Board of Education's compliance with the types of compliance requirements described in the New Jersey OMB Circulars 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2021. The Oxford Township School District 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 laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District'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; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey OMB Circulars 15-08 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 District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

-Continued-

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 District's compliance.

Opinion on Each Major State Program

In our opinion, the Oxford Township School District 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 year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Oxford Township School District 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 District'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 New Jersey OMB Circulars 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 Oxford Township School District 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 New Jersey OMB Circulars 15-08, and for New Jersey Department of Education use. Accordingly, this report is not suitable for any other purpose.

Ardito & Company LLC

ARDITO & COMPANY LLC

January 26, 2022

Anthony Ardito

Anthony Ardito

Licensed Public School Accountant No. 2369

OXFORD TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2021

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2020	Carryover/ Walkover Amount	Cash Received	Budget Expend.	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2021			Cumulative Total Expenditures	
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor		
U.S. Department of Treasury																	
Passed-through State																	
Department of Education:																	
Special Revenue Fund:																	
Coronavirus Relief Fund Grant	21.019	TBD	N/A	\$ 16,989	7/1/20	6/30/21			\$ 16,989	\$ (16,989)							\$ 16,989
Total Coronavirus Relief Fund							-	-	16,989	(16,989)	-	-	-	-	-	-	16,989
U.S. Department of Education Passed- Through State Dept. of Education:																	
Special Revenue Fund:																	
Title I	84.010	S010A200030	N/A	31,045	7/1/20	6/30/21	\$ 25		31,045	(31,045)			-	\$ 25			31,045
Title II (A)	84.367	S367B200027	N/A	5,575	7/1/20	6/30/21	-		5,575	(5,575)			-				5,575
Title IV	84.424A	S424B200027	N/A	10,000	7/1/20	6/30/21	24		10,000	(10,000)			-	24			10,000
Rural Education Achievement Program	84.358A	S358B200030	S358A202497	27,563	7/1/20	6/30/21			27,563	(27,563)			-				27,563
I.D.E.A. Part B, Basic Regular	84.027	H027A200100	N/A	61,224	7/1/20	6/30/21	578		61,224	(61,224)			-	578			61,224
I.D.E.A. Part B, Preschool	84.173	H173A200114	N/A	2,672	7/1/20	6/30/21			2,672	(2,672)			-				2,672
Subtotal-Special Education Cluster							578		63,896	(63,896)			-	578			63,896
CARES Emergency Relief Grant	84.425D	S425B190030	CARES	26,106	3/13/20	9/30/22	(11,490)		26,106	(14,616)							14,616
Total Special Revenue Fund							(10,863)		181,174	(169,684)				627			169,684
U.S. Dept. of Agriculture Passed- Through State Dept. of Education:																	
Enterprise Fund:																	
Child Nutrition Cluster:																	
National School Lunch Program (Food Distribution)	10.555	201NJ304N1099	N/A		7/1/19	6/30/20	1,040			(1,040)							1,040
National School Lunch Program (Food Distribution)	10.555	211NJ304N1099	N/A	5,373	7/1/20	6/30/21			5,373	(4,503)				870			4,503
National School Lunch Program	10.555	201NJ304N1099	N/A		7/1/19	6/30/20	(1,914)		1,914								
National School Lunch Program	10.555	211NJ304N1099	N/A	84,971	7/1/20	6/30/21			79,687	(84,971)			\$ (5,284)				84,971
Total Enterprise Fund							(874)		86,974	(90,514)			(5,284)	870			90,514
TOTAL FEDERAL ASSISTANCE							\$ (11,737)		- \$ 268,148	\$ (260,198)			- \$ (5,284)	\$ 1,497			- \$ 260,198

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

Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.

OXFORD TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2021

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2020	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2021			MEMO		
										(ACCTS. RECEIV.)	INTERFUND PAYABLE/ DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.	
State Department of Education													*		
General Fund:													*		
Equalization Aid	21-495-034-5121-078	7/1/20-6/30/21	\$ 2,128,685			\$ 2,128,685	\$ (2,128,685)						*	\$ 208,401	\$ 2,128,685
School Choice Aid	21-495-034-5121-068	7/1/20-6/30/21	180,884			180,884	(180,884)						*	17,709	180,884
Transportation Aid	21-495-034-5121-014	7/1/20-6/30/21	157,585			157,585	(157,585)						*	15,428	157,585
Special Education Aid	21-495-034-5121-089	7/1/20-6/30/21	271,037			271,037	(271,037)						*	26,535	271,037
Security Aid	21-495-034-5121-084	7/1/20-6/30/21	35,263			35,263	(35,263)						*	3,452	35,263
Non-Public Transportation Aid	21-100-034-5121-068	7/1/20-6/30/21	580				(580)			\$ (580)			*		580
Extraordinary Aid	20-495-034-5121-044	7/1/19-6/30/20	117,561	\$ (117,561)		117,561							*		
Extraordinary Aid	21-495-034-5121-044	7/1/20-6/30/21	105,468				(105,468)			(105,468)			*		105,468
On Behalf TPAF Pension	21-495-034-5094-002	7/1/20-6/30/21	635,267			635,267	(635,267)						*		635,267
On Behalf TPAF Pension PMR	21-495-034-5094-001	7/1/20-6/30/21	199,082			199,082	(199,082)						*		199,082
On Behalf TPAF Pension LTD Ins	21-495-034-5094-004	7/1/20-6/30/21	318			318	(318)						*		318
Reimbursed TPAF Soc.Secur.Contrib.	21-495-034-5094-003	7/1/20-6/30/21	158,357			158,619	(158,357)			(7,448)			*		158,357
Total General Fund				(125,271)		3,884,301	(3,872,526)			(113,496)			*	271,525	3,872,526
State Department of Agriculture:													*		
Enterprise Fund:													*		
Nat.School Lunch Prog.(State Share)	20-100-010-3350-023	7/1/19-6/30/20		(30)		30							*		
Nat.School Lunch Prog.(State Share)	21-100-010-3350-023	7/1/20-6/30/21	3,609			3,233	(3,609)			(376)			*		3,609
Total Enterprise Fund				(30)		3,263	(3,609)			(376)			*		3,609
Total State Financial Assistance				\$ (125,301)	-	\$ 3,887,564	\$ (3,876,135)	-	-	\$ (113,872)	-	-	*	\$ 271,525	\$ 3,876,135
Less On-behalf TPAF Pension Amounts :															
On Behalf TPAF Pension														635,267	
On Behalf TPAF Pension PMR														199,082	
On Behalf TPAF Pension LTD Ins														318	
Total State Expenditures Subject to Major Program Determination														<u>\$ (3,041,468)</u>	

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

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021

NOTE 1. GENERAL

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Board of Education, Oxford Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Board of Education, Oxford Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$3,550) for the general fund and \$-0- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2021

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 5,921	\$ 3,880,752	\$ 3,886,673
Special Revenue Fund	169,684	-	169,684
Food Service Fund	<u>90,514</u>	<u>3,609</u>	<u>94,123</u>
Total Financial Assistance	<u>\$ 266,119</u>	<u>\$ 3,884,361</u>	<u>\$ 4,150,480</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section 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 deficiencies identified that were not considered to be material weaknesses? ___ Yes **x** None Reported

Noncompliance material to financial statements noted? ___ Yes **x** No

Federal Awards

Not Applicable

Internal control over major programs:

1) Material weakness(es) identified? ___ Yes ___ No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes ___ None

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ? ___ Yes ___ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A		

Dollar threshold used to distinguish between Type A and Type B programs: N/A

Auditee qualified as low-risk auditee? ___ yes ___ no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Financial Assistance Section

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

x yes no

Internal Control over major programs:

1) Material weakness(es) identified?

 yes x no

2) Were significant deficiencies identified that were not considered to be material weaknesses?

 yes x none

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable?

 yes x no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

21-495-034-5120-078

Equalization Aid (State Aid Cluster)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section II-Financial Statement Findings

N/A

There were no matters of noncompliance or reportable conditions noted, that are required to be reported in accordance with *Government Auditing Standards*.

Section III - State Financial Assistance Findings and Questioned Costs

N/A

This section identifies audit findings required to be reported by NJOMB Circular Letter 15-08, as applicable. There were no state financial assistance findings or questioned costs that are required to be reported in accordance with NJOMB Circular 15-08.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATUS OF PRIOR YEAR FINDINGS

N/A

In accordance with *government auditing standards*, our procedures included a review of all prior year recommendations. There were no prior year findings.