

**SCHOOL DISTRICT OF THE
TOWN OF GUTTENBERG
COUNTY OF HUDSON, NEW JERSEY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

**School District
of**

Town of Guttenberg

**TOWN OF GUTTENBERG BOARD OF EDUCATION
Guttenberg, New Jersey**

**Annual Comprehensive Financial Report
Year Ended June 30, 2022**

Annual Comprehensive Financial Report

of the

**TOWN OF GUTTENBERG
BOARD OF EDUCATION
Guttenberg, New Jersey**

Year Ended June 30, 2022

Prepared by

**Jolene Mantineo
Board Secretary/Business Administrator**

OUTLINE OF ACFR

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Not Applicable

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INTRODUCTORY SECTION

BOARD OF EDUCATION
ANNA L. KLEIN SCHOOL
301 69th STREET
GUTTENBERG, NEW JERSEY 07093

Office of the Business Administrator
JOLENE MANTINEO

Telephone: (201) 861-3100
Fax: (201) 861-7024

February 13, 2023

Honorable President and
Members of the Board of Education
Guttenberg Board of Education

Dear Board Members:

The comprehensive annual report of the Guttenberg Board of Education (Board) for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with management of the Board. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the Basic Financial Statements and results of operations of the Board. All disclosures necessary to enable the reader to gain an understanding of the Board's financial activities have been included.

The comprehensive annual report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the Board organizational chart and a list of principal officials. The financial section includes the independent auditor's report, management discussion and analysis, the Basic financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Board is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey States Office of Management and Budget Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and finding and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The Guttenberg Board of Education is an independent reporting within the criteria adopted by GASB as established by NCGA Statement No. 3. All funds and account groups of the Board are included in this report. The Guttenberg Board of Education and its school constitute the Board's reporting entity. The Board provides a full range of educational services appropriate to grade levels K through 8. These include regular and special education for the handicapped youngsters. The Board completed the 2021-2022 fiscal year with an enrollment of 912 students, which are 49 greater than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal Year</u>	<u>Enrollment Student Enrollment</u>	<u>Percentage Change</u>
2021-2022	912	.33%
2020-2021	863	{12.1}
2019-2020	982	{.9%}
2018-2019	991	.82
2017-2018	983	{.07%}
2016-2017	990	1.2%

ECONOMIC CONDITION AND OUTLOOK: The Town of Guttenberg area is continuing to experience an unstable economy mainly due to the effects of COVID 19 on the community.

MAJOR INITIATIVES: The variety of educational programs offered at the Anna L. Klein School focuses on strong preparation for a large high school. The programs in the school are comprehensively designed to meet the abilities and interest of all students, and include regular, enriched and remedial courses at all levels, and advanced placement courses for academically talented students in grades 3 through 8.

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

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

BUDGETARY CONTROLS: In addition to internal accounting controls, the Board maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied on the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general funds, the special revenue fund, and the debt service 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 basis. Open encumbrances at year-end are either canceled or are included as reservations of fund balance in the subsequent year are reported as reservations of fund balance at June 30, 2022.

CASH MANAGEMENT: The investment policy of the Board is guided in large part by the state statute as detailed in "Notes to the Financial Statements", Note 2. The Board has adopted a cash management plan which requires it to deposit public funds in either public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act ('GUDPA') or in the State of New Jersey cash management fund. GUDPA was enacted in 1970 to protect governmental units to deposit public funds in public depositories located in New Jersey, where the funds are secured in accordance with the Act. However, the State of New Jersey cash management fund is allowable by law for deposit of public funds.

RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, comprehensive automobile liability, hazard and theft insurance on property and contents, and Fidelity bonds.

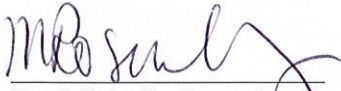
OTHER INFORMATION:

Independent Audit- State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wielkocz and Company P.A., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award (Uniform Guidance) and State Treasury Circular Letter 15-08 OMB. The auditors reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Guttenberg 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.

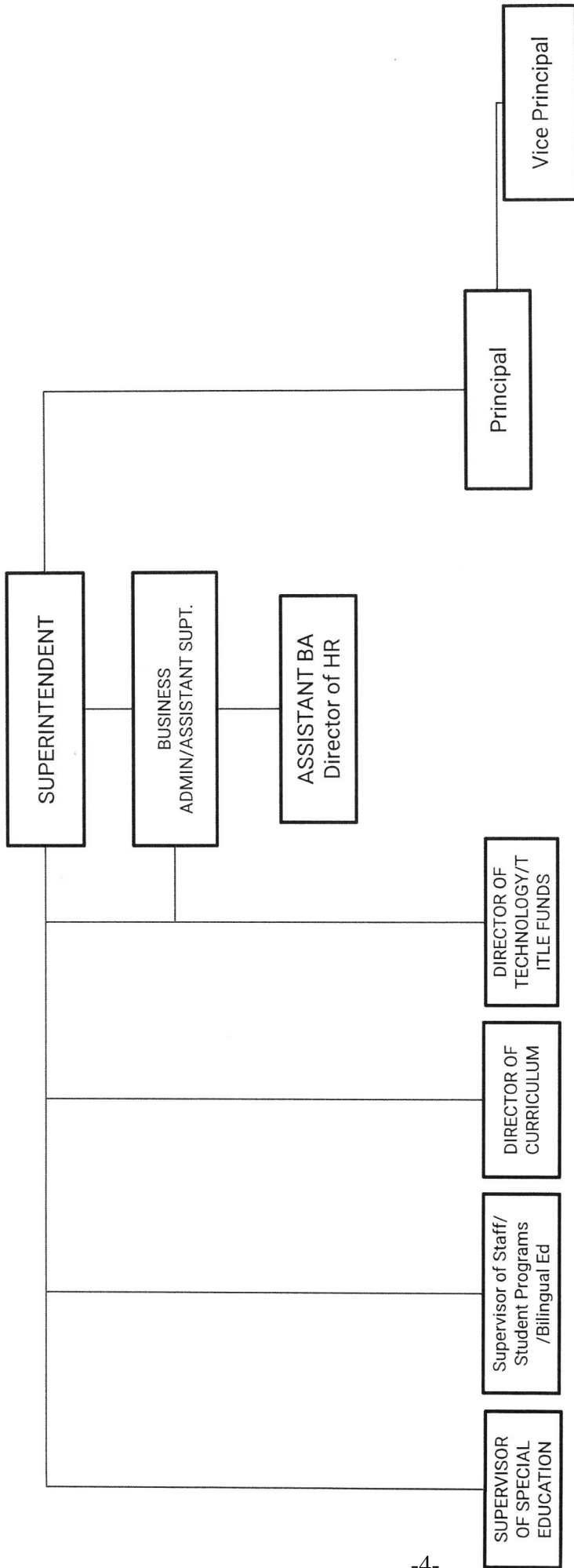
Respectfully submitted:



Dr. Michelle Rosenberg
Superintendent



Jolene Mantineo
Business Administrator/Board Secretary



Administrative Organizational Structure 2021-2022

****REVISED****

BOARD OF EDUCATION
GUTTENBERG, NEW JERSEY

ROSTER OF OFFICIALS
October 12, 2022

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERMS EXPIRES</u>
Mark R. Rogers-Board President	12/2022
Rebecca Acosta-Vice President	12/2024
Aislinn Bram	12/2023
Nicole Fundora	12/2022
Marisol Montanez	12/2022
Gonzalo E. Perez	12/2024
Blanca Garcia-Popiel	12/2023
Henry Rodriguez	12/2023
Jean Sosnowski	12/2024

OTHER OFFICIALS

Dr. Michelle Rosenberg	Superintendent
Jolene Mantineo	Assistant Superintendent/ Business Administrator/Board Secretary

GUTTENBERG BOARD OF EDUCATION

CONSULTANTS & ADVISORS

JUNE 30, 2022

Attorney

JOHN SCHETTINO
Board Attorney
800 Main Street
Suite 101
Hackensack, New Jersey 07601

District Auditor

STEVEN D. WIELKOTZ, C.P.A.
Wielkocz & Company, LLC
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442

Board Accountant

WILLIAM KATCHEN
William Katchen, CPA
596 Anderson Avenue
Suite 303
Cliffside Park, NJ 07010

Insurance Agent

Alamo Insurance Group Inc.
55 Flanagan Way
Suite 301
Secaucus, NJ 07094

FINANCIAL SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Town of Guttenberg School District, in the County of Hudson, State of New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and each major fund of the Town of Guttenberg Board of Education, in the County of Hudson, State of New Jersey, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Guttenberg Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey and Government Auditing Standards, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



Honorable President and
Members of the Board of Education
Page 3

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Guttenberg Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Guttenberg Board of Education's ability to continue as a going concern for a reasonable period of time.

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

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, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits 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 the 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.



Honorable President and
Members of the Board of Education
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Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Guttenberg Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates 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 nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject 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 it.



Honorable President and
Members of the Board of Education
Page 5.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2023 on our consideration of the Town of Guttenberg 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 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 Town of Guttenberg Board of Education's internal control over financial reporting and compliance.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 13, 2023



**REQUIRED SUPPLEMENTARY
INFORMATION - PART I**

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The discussion and analysis of the Town of Guttenberg Board of Education’s financial performance provides an overall review of the School District’s financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the District’s financial performance as a whole and should not be interpreted as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the District’s revenues and expenditures by program for the General Fund, Special Revenue Fund, Debt Service and Enterprise Fund.

FINANCIAL HIGHLIGHTS

- In total, net position increased by \$2,945,834. Net position of governmental activities increased \$2,806,682 while net position of business-type activities increased by \$139,152.
- General revenues accounted for \$24,426,422 in revenue or 86 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,103,774 or 14 percent of total revenues of \$28,530,196.
- The School District had \$25,584,362 in expenses related to governmental and business-type activities; only \$4,103,774 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$24,426,422 were adequate to provide for these programs.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District as a whole (government-wide statements), and then proceed to provide an increasingly detailed look at specified financial activities.

District-Wide Financial Statements

The *statement of net position and statement of activities* reports information about the District as a whole and about its activities in a manner that helps answer the question, “Is the District better or worse off as a result of the year’s activities?” These statements include all assets and liabilities of the District using the accrual basis of accounting, similar to the accounting used by private sector corporations. All of the current year’s revenues and expenses are taken into consideration regardless of when cash is received or paid.

Both of the district-wide financial statements distinguish functions of the Town of Guttenberg Board of Education that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

In the *Statement of Net Position and the Statement of Activities*, the 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 and services basis to recover all the expenses of the goods or services provided. The Food Service Fund is reported as a business activity.

The two statements report the District's net position and changes in them. The change in net position can be utilized by a reader to assist in determining whether the District's financial health is improving or deteriorating. However, the reader should also consider non-financial factors such as property tax base, current New Jersey laws restricting revenue growth, student enrollment growth, facility conditions, required educational programs and other factors in determining the District's overall financial health.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Guttenberg Board of Education, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the district's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* (reported in the Statement of Net Position and the Statement of Activities).

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

USING THIS ANNUAL REPORT, (continued)

The Town of Guttenberg Board of Education maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the general, special revenue and capital projects funds, which are both considered to be major funds.

The Town of Guttenberg Board of Education adopts annual appropriated budgets for its governmental funds. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements, therefore the statements will essentially match the business-type activities portion of the district-wide statements. The Town of Guttenberg Board of Education uses proprietary funds to account for its food service program as well as its internal service fund.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

The School District's net position's were \$30,805,501 at June 30, 2022 and \$27,859,667 at June 30, 2021. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2022 compared to 2021 (Table 1) and change in net position (Table 2) of the School District.

Table 1

**Net Position
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets						
Current and Other Assets	\$10,537,178	\$6,743,192	\$ 322,994	\$175,896	10,860,172	\$ 6,919,088
Capital Asset	<u>25,451,006</u>	<u>25,906,672</u>	<u>32,300</u>	<u>34,747</u>	<u>25,483,306</u>	<u>25,941,419</u>
Total Assets	<u>35,988,184</u>	<u>32,649,864</u>	<u>355,294</u>	<u>210,643</u>	<u>36,343,478</u>	<u>32,860,507</u>
Deferred Outflows:						
Resources Related to PERS	<u>276,467</u>	<u>317,751</u>	_____	_____	<u>276,467</u>	<u>317,751</u>
Total Deferred Outflows	<u>276,467</u>	<u>317,751</u>	_____	_____	<u>276,467</u>	<u>317,751</u>
Liabilities						
Current Liabilities	2,318,298	1,498,512	24,720	19,221	2,343,018	1,517,733
Noncurrent Liabilities	<u>2,211,379</u>	<u>2,421,877</u>	_____	_____	<u>2,211,379</u>	<u>2,421,877</u>
Total Liabilities	<u>4,529,677</u>	<u>3,920,389</u>	<u>24,720</u>	<u>19,221</u>	<u>4,554,397</u>	<u>3,939,610</u>
Deferred Inflows:						
Resources Related to PERS	<u>1,260,047</u>	<u>1,378,981</u>	_____	_____	<u>1,260,047</u>	<u>1,378,981</u>
Total Deferred Inflows	<u>1,260,047</u>	<u>1,378,981</u>	_____	_____	<u>1,260,047</u>	<u>1,378,981</u>
Net Position						
Net invested in Capital Assets	25,647,262	25,906,672	32,300	34,747	25,679,562	25,941,419
Restricted	8,303,871	5,403,612	32,055	32,055	8,335,926	5,435,667
Unrestricted	<u>(3,476,206)</u>	<u>(3,642,039)</u>	<u>266,219</u>	<u>124,620</u>	<u>(3,209,987)</u>	<u>(3,517,419)</u>
Total Net Position	<u>30,474,927</u>	<u>27,668,245</u>	<u>330,574</u>	<u>191,422</u>	<u>30,805,501</u>	<u>27,859,667</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Table 2 below shows the changes in net position for fiscal year 2022.

**Table 2
Changes in Net Position
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues:						
Charges for Services and						
Sales	\$ 31,031	\$ 14,686	\$ 305	\$ 63	\$ 31,336	\$ 14,749
Operating Grants and						
Contributions	3,558,150	1,958,306	514,288	256,461	4,072,438	2,214,767
General Revenues:						
Taxes:						
Property taxes, levied for						
general purposes	11,321,822	11,321,822			11,321,822	11,321,822
Federal and State Aid not						
Restricted	12,919,454	13,002,180			12,919,454	13,002,180
Federal and State Aid -						
Restricted for Capital Outlay	9,135	230,766			9,135	230,766
Tuition Received						
Miscellaneous Income	172,248	58,616	3,763	8,007	176,011	66,623
Other Financing Sources/ (Uses)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> 0</u>	<u> 0</u>
Total Revenues and Transfers	<u>\$28,011,840</u>	<u>\$26,586,376</u>	<u>\$518,356</u>	<u>\$264,531</u>	<u>\$28,530,196</u>	<u>\$26,850,907</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Functions/Program Expenses						
Instruction:						
Regular	\$ 5,331,404	\$ 5,390,160			\$5,331,404	\$5,390,160
Special Education	628,445	781,428			628,445	781,428
Other Special Instruction	1,455,201	1,398,277			1,455,201	1,398,277
Other Instruction	79,533	49,208			79,533	49,208
Support Services:						
Tuition	5,514,815	5,679,991			5,514,815	5,679,991
Health Services	66,261	166,954			66,261	166,954
Student & Instruction Related Services	3,790,752	3,036,060			3,790,752	3,036,060
School Administrative Services	174,568	241,614			174,568	241,614
General Administrative Services	497,731	563,445			497,731	563,445
Central Services	368,222	341,072			368,222	341,072
Administrative Information Technology	53,591	173,848			53,591	173,848
Plant Operations and Maintenance	1,397,768	999,333			1,397,768	999,333
Pupil Transportation	275,513	279,190			275,513	279,190
Unallocated Benefits	4,564,455	4,485,095			4,564,455	4,485,095
Charter Schools	77,101				77,101	
Non-depreciable Capital Outlay	21,454	5,267			21,454	5,267
Interest on long-term debt	7,594				7,594	
Food Service			379,204	239,866	379,204	239,866
Unallocated depreciation	<u>900,750</u>	<u>848,397</u>	<u> </u>	<u> </u>	<u>900,750</u>	<u>848,397</u>
Total Expenses and Transfers	<u>25,205,158</u>	<u>24,439,339</u>	<u>379,204</u>	<u>239,866</u>	<u>25,584,362</u>	<u>24,679,205</u>
Increase or (Decrease) in Net Position	<u>\$ 2,806,682</u>	<u>\$2,147,037</u>	<u>\$139,152</u>	<u>\$24,665</u>	<u>\$2,945,835</u>	<u>\$2,171,702</u>

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)

Governmental and Business- Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$25,584,362, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$11,321,822 because some of the cost was paid by those who benefitted from the programs \$31,336 by other governments and organizations who subsidized certain programs with grants and contributions \$17,001,027, and by miscellaneous sources \$176,011.

Revenues for the District’s business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service revenues exceeded expenses by \$135,389.
- ✓ Charges for services provided totaled \$305. This represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$514,288.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2022, and the amount and percentages of increases/(decreases) relative to the prior year:

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Local Source	\$11,392,039	40.3%	(\$3,267)	(0.03)%	\$11,395,306
State Source	13,361,597	47.2%	2,005,454	17.66%	11,356,143
Federal Source	<u>3,534,795</u>	<u>12.5%</u>	<u>1,502,932</u>	<u>73.97%</u>	<u>2,031,863</u>
	<u>\$28,288,431</u>	<u>100.0%</u>	<u>\$3,505,119</u>	<u>14.14%</u>	<u>\$24,783,312</u>

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2020</u>	<u>Percent of Increase/ (Decrease)</u>	<u>Prior Year</u>
Current Expenditures:					
Instruction	\$8,663,598	33.8%	\$1,031,491	13.52%	\$7,632,107
Undistributed	16,938,470	66.1%	2,561,054	17.81%	14,377,416
Capital Outlay	<u>21,454</u>	<u>0.1%</u>	<u>(214,579)</u>	<u>(90.91)%</u>	<u>236,033</u>
	<u>\$25,623,522</u>	<u>100.0%</u>	<u>\$3,377,966</u>	<u>15.18%</u>	<u>\$22,245,556</u>

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2022, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$9,968,893 for increases in federal and state grant awards.

General Fund

The general fund actual revenue was \$24,830,632. That amount is \$3,683,611 above the final amended budget of \$21,147,021. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$3,596,685 for TPAF social security reimbursements and on-behalf pension payments and a \$86,126 excess in miscellaneous anticipated revenues and other state aids.

The actual expenditures of the general fund were \$22,024,086 including transfers which is \$872,460 less than the final amended budget of \$22,896,546. The variance between the actual expenditures and final budget was due to non-budgeted on-behalf TPAF social security and pension payments of \$3,596,685 and \$959,386 of unexpended budgeted funds.

Special Revenue Fund

The special revenue fund actual revenue was \$3,598,316. That amount is above the original budget estimate of \$805,150 and below the final amended budget of \$10,774,043. The \$9,968,893 variance between the original and final budget was due to additional federal and state grant monies awarded to the District after the original budget was approved. The \$7,175,727 variance between the final amended budget and the June 30, 2022 actual results was due to the deferral of Federal and State grants received in the current fiscal year to be spent in the next fiscal year and the inclusion of scholarship and student activity fund revenue.

The actual expenditures of the special education fund were \$3,599,436, which is above the original budget of \$805,150 and below the final amended budget of \$10,774,043. The \$9,968,893 variance between the original and final budget was due to additional appropriations related to the additional grants awarded to the District after the original budget was approved. The \$7,174,607 variance between the final amended budget and the June 30, 2022 actual results was due to the anticipation of fully expending federal and state grant programs and the inclusion of scholarship and student activity fund expenditures. Expenditures will be incurred in the next fiscal year.

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022 the School District had \$32,673,501 invested in sites, buildings and equipment. Of this amount, \$7,190,195 in depreciation has been taken over the years. We currently have a net book value of \$25,483,306. Total depreciable additions for the year were \$445,084, which consisted of various equipment purchases and site and building improvements.

**Table 3
Capital Assets at June 30,
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 9,957	\$ 9,957	\$	\$	\$9,957	\$9,957
Site Improvements	2,630	2,812			2,630	2,812
Buildings and Improvements	24,731,041	25,349,147			24,731,041	25,349,147
Machinery and Equipment	707,378	544,756	32,300	34,747	739,678	579,503
	<u>\$25,451,006</u>	<u>\$25,906,672</u>	<u>\$32,300</u>	<u>\$34,747</u>	<u>\$25,483,306</u>	<u>\$25,941,419</u>

Debt Administration

At June 30, 2022, the District had \$2,211,379 of long term debt. Of this amount, \$625,461 is for compensated absences; \$4,169 is the deferral of the annual PERS contribution; \$1,381,755 for the net pension PERS liability and \$199,994 represents the lease liability for the rental of the Board of Education Office and copiers.

At June 30, 2022, the school district’s overall legal debt margin was \$35,781,856. For more detailed information, please refer to the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS

The district continues to rely predominately upon local property taxes as its main source of funding. Therefore, in consideration of current economic conditions and the anticipation of continued flat state aid support, the Board of Education has sought to control budget expenses to minimize the impact on the local tax levy.

- Estimated Student Enrollment
- Sources of revenue
- Cost of negotiated salaries and benefits
- Cost of fixed charges
- Mandated Programs
- Requirements for health and safety issues

**TOWN OF GUTTENBERG BOARD OF EDUCATION
GUTTENBERG, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(CONTINUED)**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS, (continued)

Prior to the end of fiscal 2004, S1701 was enacted. The law is meant to control public school district budgets by revising the calculation of budget caps and reducing surplus. Starting in 2005-06 the CAP will be set at 2.5% or the cost of living, whichever is greater. A number of other changes will affect the calculation of SGLA's and per pupil administrative costs. Any undesignated general fund balance in excess of 2% or \$250,000, whichever is greater must be appropriated for tax relief. Pursuant to P.L. 2021, c.35, approved March 15, 2021, school districts other than county vocational school districts may maintain surplus at 4% or \$250,000 for 2020-2021 and 2021-2022 school years.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Guttenberg Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Jolene Mantineo
School Business Administrator
Town of Guttenberg Board of Education
301 69th Street
Guttenberg, New Jersey 07093

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

GUTTENBERG BOARD OF EDUCATION
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	8,313,886	260,813	8,574,699
Receivables, net	1,439,822	91,201	1,531,023
Internal balances	37,349	(37,349)	-
Inventory		8,329	8,329
Restricted assets:			
Cash and cash equivalents	549,865		549,865
Non-Current Assets:			
Right to use leased assets, net of amortization	196,256		
Capital assets:			
Land and construction in progress	9,957		9,957
Other Capital assets, net	25,441,049	32,300	25,473,349
Total Assets	<u>35,988,184</u>	<u>355,294</u>	<u>36,147,222</u>
Deferred Outflow of Resources:			
Deferred outflows of resources related to PERS	276,467	-	276,467
Total Deferred Outflows	<u>276,467</u>	<u>-</u>	<u>276,467</u>
LIABILITIES			
Accounts payable and accrued liabilities	2,165,957	-	2,165,957
Payable to federal government	99		99
Payable to local government	42,182		42,182
Unearned Revenue	32,792	24,720	57,512
Payroll Deductions & Withholdings	77,268		77,268
Noncurrent liabilities:			
Due within one year	83,523		83,523
Due beyond one year	2,127,856		2,127,856
Total liabilities	<u>4,529,677</u>	<u>24,720</u>	<u>4,554,397</u>
Deferred Inflow of Resources:			
Deferred inflows of resources related to PERS	1,260,047		1,260,047
Total Deferred Inflows	<u>1,260,047</u>	<u>-</u>	<u>1,260,047</u>
NET POSITION			
Net Investment in Capital Assets	25,647,262	32,300	25,679,562
Restricted for:			
Capital projects	1		1
Other purposes	8,303,870	32,055	8,335,925
Unrestricted (Deficit)	<u>(3,476,206)</u>	<u>266,219</u>	<u>(3,209,987)</u>
Total net position	<u><u>30,474,927</u></u>	<u><u>330,574</u></u>	<u><u>30,805,501</u></u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Activities
Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Indirect Expenses Allocation	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
				Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:								
Instruction:								
Regular	6,061,965	(730,561)			1,588,280	(3,743,124)		(3,743,124)
Special education	826,146	(197,701)				(628,445)		(628,445)
Other special instruction	1,680,905	(225,704)				(1,455,201)		(1,455,201)
Other instruction	92,563	(13,030)				(79,533)		(79,533)
Support services:								
Tuition	5,514,815					(5,514,815)		(5,514,815)
Health Services	66,261					(66,261)		(66,261)
Student & instruction related services	4,098,462	(307,710)	*	31,031	1,969,870	(1,789,851)		(1,789,851)
School administrative services	216,449	(41,881)				(174,568)		(174,568)
General administrative services	558,469	(60,738)				(497,731)		(497,731)
Central Services	459,353	(91,131)				(368,222)		(368,222)
Information Technology	53,591					(53,591)		(53,591)
Plant operations and maintenance	1,433,577	(35,809)				(1,397,768)		(1,397,768)
Pupil transportation	275,513					(275,513)		(275,513)
Unallocated benefits	4,564,455					(4,564,455)		(4,564,455)
Transfer to Charter Schools	77,101					(77,101)		(77,101)
Capital outlay - non-depreciable	21,454					(21,454)		(21,454)
Interest on long term debt	7,594					(7,594)		(7,594)
Unallocated depreciation		900,750				(900,750)		(900,750)
Total governmental activities	26,008,673	(803,515)	-	31,031	3,558,150	(21,615,977)	-	(21,615,977)
Business-type activities:								
Food Service	379,204		305	514,288			135,389	135,389
Total business-type activities	379,204		305	514,288			135,389	135,389
Total primary government	26,387,877		305	545,319	3,558,150	(21,615,977)	135,389	(21,480,588)
General revenues:								
Taxes:								
Property taxes, levied for general purposes						11,321,822		11,321,822
Federal and State aid not restricted						12,919,454		12,919,454
Federal and State aid restricted for Capital Outlay						9,135		9,135
Miscellaneous Income						172,248	3,763	176,011
Total general revenues, special items, extraordinary items and transfers						24,422,659	3,763	24,426,422
Change in Net Position						2,806,682	139,152	2,945,834
Net Position - beginning						27,668,245	191,422	27,859,667
Net Position—ending						30,474,927	330,574	30,805,501

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

* - Student Activity revenue is reported as "charges for services"; scholarship revenue is reported as "operating grants and contributions"

FUND FINANCIAL STATEMENTS

GUTTENBERG BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	8,161,678		8,161,678
Accounts Receivable -			
Intergovernmental - State	133,950		133,950
Intergovernmental - Federal		1,305,872	1,305,872
Interfund receivables	715,823		715,823
Restricted cash and cash equivalents			
Capital reserve account	1		1
Net Payroll	5,387 *		5,387
Payroll Deductions and Withholdings	515,070 *		515,070
Scholarship accounts		9,267 *	9,267
Student activities		20,140 *	20,140
Total assets	<u>9,531,909</u>	<u>1,335,279</u>	<u>10,867,188</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Unearned Revenue		32,792	32,792
Intergovernmental payable:			
Federal		99	99
Accounts payable			
Payroll deductions and withholdings	77,268 **		77,268
Other	1,414,012	594,507	2,008,519
Payable to Local Government	42,182		42,182
Interfund payables		678,474	678,474
Total liabilities	<u>1,533,462</u>	<u>1,305,872</u>	<u>2,839,334</u>
Fund Balances:			
Restricted for:			
Excess Surplus - current year	4,531,628		4,531,628
Excess Surplus - prior year - designated for subsequent year's expenditures	3,502,692		3,502,692
Capital reserve	1		1
Student Groups		20,140 *	20,140
Scholarships		9,267 *	9,267
Assigned to:			
Year End Encumbrances	117,342		117,342
Unassigned:			
General fund	<u>(153,216)</u>		<u>(153,216)</u>
Total Fund balances	<u>7,998,447</u>	<u>29,407</u>	<u>8,027,854</u>
Total liabilities and fund balances	<u>9,531,909</u>	<u>1,335,279</u>	

**GUTTENBERG BOARD OF EDUCATION
Balance Sheet
Governmental Funds
June 30, 2022**

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 \$32,588,292 and the accumulated depreciation is \$7,137,286.	25,451,006
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Right to use assets at historical cost	259,980
Accumulated amortization	(63,724)
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds	(570)
Accounts payable for subsequent Pension payment is not a payable in the funds	(156,868)
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	276,467
Deferred inflows of resources related to PERS Pension Liability	(1,260,047)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds	(2,211,379)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets	152,208
Net position of governmental activities	<hr style="border: 1px solid black;"/> <hr style="border: 3px double black;"/> 30,474,927

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

- * Includes former fiduciary fund cash and cash equivalents
- ** Includes payroll deductions payable

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local sources:			
Local tax levy	11,321,822		11,321,822
Miscellaneous	39,186		39,186
Scholarship Donations		55 **	55
Student Group Receipts		30,976 **	30,976
Total - Local Sources	<u>11,361,008</u>	<u>31,031</u>	<u>11,392,039</u>
Local sources			
State sources	13,315,411	46,186	13,361,597
Federal sources	13,696	3,521,099	3,534,795
Total revenues	<u>24,690,115</u>	<u>3,598,316</u>	<u>28,288,431</u>
EXPENDITURES			
Current:			
Regular instruction	4,475,704	1,588,280	6,063,984
Special education instruction	826,146		826,146
Other special instruction	1,680,905		1,680,905
School sponsored/other instructional	92,563		92,563
Support services and undistributed costs:			
Tuition	5,514,815		5,514,815
Health services	66,261		66,261
Student & instruction related services	2,096,441	2,002,021 ***	4,098,462
School administrative services	216,449		216,449
General administrative services	558,469		558,469
Central services	470,238		470,238
Information technology	53,591		53,591
Plant operations and maintenance	1,869,857		1,869,857
Pupil transportation	275,513		275,513
Unallocated benefits	141,029		141,029
On-behalf contributions	3,596,685		3,596,685
Transfer to Charter Schools	77,101		77,101
Capital outlay	12,319	9,135	21,454
Total expenditures	<u>22,024,086</u>	<u>3,599,436</u>	<u>25,623,522</u>
Excess (Deficiency) of revenues over expenditures	<u>2,666,029</u>	<u>(1,120)</u>	<u>2,664,909</u>
OTHER FINANCING SOURCES (USES)			
Insurance Recovery Related to Impaired Capital Asset	133,062		133,062
Total other financing sources and uses	<u>133,062</u>	<u>-</u>	<u>133,062</u>
Net change in fund balances	2,799,091	(1,120)	2,797,971

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
Fund Balance - July 1	<u>5,199,356</u>	<u>30,527</u>	<u>5,229,883</u>
Fund balance - June 30	<u>7,998,447</u>	<u>29,407</u>	<u>8,027,854</u>

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

** Special revenue fund now includes revenues from scholarships and student activities
*** Special revenue fund now includes expenditures from scholarships and student activities

GUTTENBERG BOARD OF EDUCATION
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2022

Total net change in fund balances - governmental funds (from B-2)		2,797,971															
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Depreciation expense</td> <td style="width: 10%; text-align: right;">(900,750)</td> </tr> <tr> <td></td> <td style="text-align: right;">Non-Depreciable Capital Outlays - Construction in Progress</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;">Depreciable Capital Outlays - Fund 11</td> <td style="text-align: right;">137,711</td> </tr> <tr> <td></td> <td style="text-align: right;">Depreciable Capital Outlays - Fund 20</td> <td style="text-align: right;">307,373</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">(455,666)</td> </tr> </table>		Depreciation expense	(900,750)		Non-Depreciable Capital Outlays - Construction in Progress	-		Depreciable Capital Outlays - Fund 11	137,711		Depreciable Capital Outlays - Fund 20	307,373			(455,666)	(455,666)
	Depreciation expense	(900,750)															
	Non-Depreciable Capital Outlays - Construction in Progress	-															
	Depreciable Capital Outlays - Fund 11	137,711															
	Depreciable Capital Outlays - Fund 20	307,373															
		(455,666)															
<p>Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Right to use assets at historical cost</td> <td style="width: 10%; text-align: right;">259,980</td> </tr> <tr> <td></td> <td style="text-align: right;">Accumulated amortization</td> <td style="text-align: right;">(63,724)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">196,256</td> </tr> </table>		Right to use assets at historical cost	259,980		Accumulated amortization	(63,724)			196,256	196,256						
	Right to use assets at historical cost	259,980															
	Accumulated amortization	(63,724)															
		196,256															
<p>Repayment of long-term debt is reported as 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. In the current year, these amounts consist of:</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Lease Liability</td> <td style="width: 10%; text-align: right;">59,986</td> </tr> <tr> <td></td> <td style="text-align: right;">Payment of Deferred PERS Pension Contribution</td> <td style="text-align: right;">2,870</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">62,856</td> </tr> </table>		Lease Liability	59,986		Payment of Deferred PERS Pension Contribution	2,870			62,856	62,856						
	Lease Liability	59,986															
	Payment of Deferred PERS Pension Contribution	2,870															
		62,856															
<p>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. The accrued interest is an adjustment in the reconciliation.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Lease Liability</td> <td style="width: 10%; text-align: right;">(570)</td> </tr> </table>		Lease Liability	(570)	(570)												
	Lease Liability	(570)															
<p>Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Proceeds of Lease Liability</td> <td style="width: 10%; text-align: right;">(259,980)</td> </tr> </table>		Proceeds of Lease Liability	(259,980)	(259,980)												
	Proceeds of Lease Liability	(259,980)															
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Increase in compensated absences payable</td> <td style="width: 10%; text-align: right;">(28,533)</td> </tr> </table>		Increase in compensated absences payable	(28,533)	(28,533)												
	Increase in compensated absences payable	(28,533)															
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">District Pension Contributions</td> <td style="width: 10%; text-align: right;">136,597</td> </tr> <tr> <td></td> <td style="text-align: right;">Less: Pension Expense</td> <td style="text-align: right;">(356,937)</td> </tr> <tr> <td></td> <td style="text-align: right;">(Increase)/Decrease in Pension Expense</td> <td style="text-align: right; border-top: 1px solid black;">493,534</td> </tr> </table>		District Pension Contributions	136,597		Less: Pension Expense	(356,937)		(Increase)/Decrease in Pension Expense	493,534	493,534						
	District Pension Contributions	136,597															
	Less: Pension Expense	(356,937)															
	(Increase)/Decrease in Pension Expense	493,534															
<p>Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.</p>																	
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">Increase in On-behalf State Aid TPAF Pension</td> <td style="width: 10%; text-align: right;">(1,845,294)</td> </tr> <tr> <td></td> <td style="text-align: right;">Increase in On-behalf TPAF Pension Expense</td> <td style="text-align: right;">1,845,294</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">-</td> </tr> </table>		Increase in On-behalf State Aid TPAF Pension	(1,845,294)		Increase in On-behalf TPAF Pension Expense	1,845,294			-	-						
	Increase in On-behalf State Aid TPAF Pension	(1,845,294)															
	Increase in On-behalf TPAF Pension Expense	1,845,294															
		-															

**GUTTENBERG BOARD OF EDUCATION
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 Fiscal Year Ended June 30, 2022**

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.	<u>814</u>
Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements	
Increase in On-behalf State Aid TPAF Post Employment Medical Revenue	1,435,641
Increase in On-behalf State Aid TPAF Post Employment Medical Expense	<u>(1,435,641)</u>
Change in net position of governmental activities	<u><u>2,806,682</u></u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Net Position
Proprietary Funds
June 30, 2022

	<u>Enterprise Fund</u> Food Service Program	<u>Internal Service Fund</u> Building Maintenance	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	260,813	152,208	413,021
Accounts receivable:			
State	848		848
Federal	73,212		73,212
Other	17,141		17,141
Inventories	8,329		8,329
Total current assets	<u>360,343</u>	<u>152,208</u>	<u>512,551</u>
Noncurrent assets:			
Capital assets:			
Equipment	85,209		85,209
Less accumulated depreciation:			
Equipment	(52,909)		(52,909)
Total capital assets (net of accumulated depreciation)	<u>32,300</u>	<u>-</u>	<u>32,300</u>
Total assets	<u>392,643</u>	<u>152,208</u>	<u>544,851</u>
LIABILITIES			
Current liabilities:			
Accounts payable	-		-
Unearned Revenue	24,720		24,720
Interfund - General Fund	37,349		37,349
Total current liabilities	<u>62,069</u>	<u>-</u>	<u>62,069</u>
NET POSITION			
Net Investment in Capital Assets	32,300	-	32,300
Restricted Contributed Capital	32,055		32,055
Unrestricted	266,219	152,208	418,427
Total net position	<u>330,574</u>	<u>152,208</u>	<u>482,782</u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2022

	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>	
	<u>Food Service Program</u>	<u>Building Maintenance</u>	<u>Totals</u>
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	-		-
Daily sales - non-reimbursable programs	305		305
Total operating revenues	<u>305</u>	<u>-</u>	<u>305</u>
Operating expenses:			
Cost of sales - reimbursable programs	142,465		142,465
Cost of sales - non-reimbursable programs	-		-
Salaries	160,187		160,187
Supplies and materials	1,398		1,398
Employee benefits	41,414		41,414
Cleaning repair & maintenance	986		986
Purchased services	25,720		25,720
Miscellaneous	4,587		4,587
Depreciation	2,447		2,447
Total Operating Expenses	<u>379,204</u>	<u>-</u>	<u>379,204</u>
Operating income (loss)	<u>(378,899)</u>	<u>-</u>	<u>(378,899)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	9,018		9,018
Federal sources:			
National school lunch program	379,422		379,422
National school breakfast program	92,352		92,352
P-EBT administrative costs	628		628
Food distribution program	32,239		32,239
Additional Subsidy Aid - Prior Year	629		629
Interest and investment revenue	3,763	814	4,577
Total nonoperating revenues (expenses)	<u>518,051</u>	<u>814</u>	<u>518,865</u>
Change in net position	139,152	814	139,966
Total net position—beginning	<u>191,422</u>	<u>151,394</u>	<u>342,816</u>
Total net position—ending	<u><u>330,574</u></u>	<u><u>152,208</u></u>	<u><u>482,782</u></u>

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

GUTTENBERG BOARD OF EDUCATION
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2022

	<u>Enterprise Funds</u>	<u>Internal</u>	
	<u>Food</u>	<u>Service Fund</u>	
	<u>Service</u>	<u>Building</u>	
	<u>Program</u>	<u>Maintenance</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	305		305
Payments to employees	(12,777)		(12,777)
Payments to outside food service management company	(349,021)		(349,021)
Payments for supplies	(2,171)		(2,171)
Payments for miscellaneous expenditures	(17,141)		(17,141)
Net cash provided by (used for) operating activities	<u>(380,805)</u>	<u>-</u>	<u>(380,805)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	9,115		9,115
Federal Sources	485,903		485,903
Additional Subsidy Aid - Prior Year	629		629
Net cash provided by (used for) non-capital financing activities	<u>495,647</u>	<u>-</u>	<u>495,647</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	3,763	814	4,577
Net cash provided by (used for) investing activities	<u>3,763</u>	<u>814</u>	<u>4,577</u>
Net increase (decrease) in cash and cash equivalents	118,605	814	119,419
Balances—beginning of year	142,208	151,394	293,602
Balances—end of year	<u>260,813</u>	<u>152,208</u>	<u>413,021</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(378,899)	-	(378,899)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	2,447		2,447
Food Distribution Program	32,239		32,239
(Increase) decrease in accounts receivable, net	(17,141)		(17,141)
(Increase) decrease in inventories	(230)		(230)
(Increase) decrease in accounts payable	(19,221)		(19,221)
Total adjustments	<u>(1,906)</u>	<u>-</u>	<u>(1,906)</u>
Net cash provided by (used for) operating activities	<u>(380,805)</u>	<u>-</u>	<u>(380,805)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education of the Town of Guttenberg School District have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

A. Description of the School District and Reporting Entity:

The Board of Education ("Board") of the Town of Guttenberg School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Town of Guttenberg School District is a Type II district located in the County of Hudson, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-8. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significance) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include an elementary school and a middle school, located in the Town of Guttenberg. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation:

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

District-wide Financial Statements:

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

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 - *government*, *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. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation: (continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America 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 sale of bonds, lease purchases and other revenues.

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.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Presentation: (continued)

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service. The following is a description of the Proprietary Funds of the Board:

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

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

Internal Service Fund - The Internal Service Fund has been established to account for the income and related expenses associated with the lease of school owned property.

FIDUCIARY FUNDS

Fiduciary Fund - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. The District does not have any activities that are required to be included in the Fiduciary Fund.

C. Measurement Focus:

District-wide Financial Statements

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C. Measurement Focus: (continued)

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting:

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that 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.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Basis of Accounting: (continued)

Revenues - Exchange and Non-exchange Transactions, (continued)

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. 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 year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Budgets/Budgetary Control:

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

E. Budgets/Budgetary Control: (continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

F. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as 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 Board has received advances, are reflected in the balance sheet as unearned revenue at fiscal year end.

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

G. Cash, Cash Equivalents and Investments:

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

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Cash, Cash Equivalents and Investments: (continued)

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

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

H. Tuition Payable:

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

I. Inventories:

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

J. Prepaid Items:

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

K. Short-Term Interfund Receivables/Payables:

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. Compensated Absences:

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

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.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

N. Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

O. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities and long-term obligations are reported in 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, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

P. Accounting and Financial Reporting for Pensions:

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirement of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

P. Accounting and Financial Reporting for Pensions: (continued)

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

Q. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pension.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Q. Deferred Outflows/Inflows of Resources, (continued)

The District has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related issue.

R. Fund Balances:

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

S. 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 balances of any borrowings 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 Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

T. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

U. Extraordinary and Special Items:

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence.

V. 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. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. 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 as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

W. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

X. New Accounting Standards:

During fiscal year 2022, the District adopted the following GASB Statement;

GASB Statement No. 87, Leases, which improves accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The implementation of this statement had no material impact on the financial statements.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2022, \$-0- of the District's bank balance of \$8,783,613 was exposed to custodial credit risk.

Investments

Investment Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer.

NOTE 3. RECEIVABLES

Receivables at June 30, 2022, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
Other Receivables	\$0	\$17,141	\$17,141
State Aid	133,950	848	134,798
Federal Aid	1,305,872	73,212	1,379,084
Due from Other Funds	<u>715,823</u>	<u>17,141</u>	<u>17,141</u>
Gross Receivables	2,155,645	108,342	1,548,164
Less: Allowance for Uncollectibles	<u> </u>	<u> </u>	<u> </u>
Total Receivables, Net	<u><u>\$2,155,645</u></u>	<u><u>\$108,342</u></u>	<u><u>\$1,548,164</u></u>

NOTE 4. INTERFUND BALANCES AND ACTIVITY

Interfund transfers for the year ended June 30, 2022, consisted of the following:

\$ 37,349	Due to the General Fund from the Proprietary Fund to reimburse for proprietary capital assets and lunch aide salaries paid from General Fund in error.
<u>678,474</u>	Due to the General Fund from the Special Revenue Fund for short-term loans.
<u><u>\$715,823</u></u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$9,957	\$	\$	\$9,957
Construction in Progress	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Capital Assets Not Being Depreciated	<u>9,957</u>	<u> </u>	<u> </u>	<u>9,957</u>
Capital Assets Being Depreciated:				
Sites and Site Improvements	61,248			61,248
Buildings and Improvements	30,547,209	161,036		30,708,245
Machinery and Equipment	<u>1,524,794</u>	<u>284,048</u>	<u> </u>	<u>1,808,842</u>
Total Capital Assets, Being Depreciated	<u>32,133,251</u>	<u>445,084</u>	<u> </u>	<u>32,578,335</u>
Less Accumulated Depreciation:				
Land Improvements	(58,436)	(182)		(58,618)
Buildings and Improvements	(5,198,062)	(779,142)		(5,977,204)
Equipment	<u>(980,038)</u>	<u>(121,426)</u>	<u> </u>	<u>(1,101,464)</u>
Total Accumulated Depreciation	<u>(6,236,536)</u>	<u>(900,750)</u>	<u> </u>	<u>(7,137,286)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>25,896,715</u>	<u>(455,666)</u>	<u> </u>	<u>25,441,049</u>
Governmental Activities Capital Assets, Net	<u>\$25,906,672</u>	<u>(\$455,666)</u>	<u> </u>	<u>\$25,451,006</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Business-Type Activity				
Equipment	\$85,209	\$	\$	\$85,209
Site Improvements	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals at Historical Cost	<u>85,209</u>	<u>-</u>	<u>-</u>	<u>85,209</u>
Less Accumulated Depreciation for:				
Equipment	(50,462)	(2,447)		(52,909)
Site Improvement	<u> </u>	<u> </u>	<u> </u>	<u>-</u>
Total Accumulated Depreciation	<u>(50,462)</u>	<u>(2,447)</u>	<u>-</u>	<u>(52,909)</u>
Business-Type Activity Capital Assets, Net	<u>\$34,747</u>	<u>(\$2,447)</u>	<u>\$</u>	<u>\$32,300</u>

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 5. CAPITAL ASSETS, (continued)

Depreciation expense was charged to governmental functions as follows:

Support Services:	
Unallocated Depreciation	\$900,750
	<u>\$900,750</u>

NOTE 6. LONG-TERM OBLIGATION ACTIVITY

Changes in long-term obligations for the year ended June 30, 2022 were as follows:

	Balance <u>June 30, 2021</u>	<u>Issued</u>	<u>Retired</u>	Balance <u>June 30, 2022</u>	Amount Due Within <u>One Year</u>	Long-term <u>Portion</u>
Deferred PERS Pension Contribution	\$7,039	\$ -	\$2,870	\$4,169	\$2,997	\$1,172
Compensated Absences Payable	596,928	69,457	40,924	625,461	-	625,461
Unfunded Pension Liability - PERS	-	259,980	59,986	199,994	80,526	119,468
Net Pension Liability	<u>1,817,910</u>	<u>329,437</u>	<u>436,155</u>	<u>1,381,755</u>	<u>-</u>	<u>1,381,755</u>
	<u>2,421,877</u>	<u>329,437</u>	<u>539,935</u>	<u>2,211,379</u>	<u>83,523</u>	<u>2,127,856</u>
Total Other Liabilities	<u>\$2,421,877</u>	<u>\$329,437</u>	<u>\$539,935</u>	<u>\$2,211,379</u>	<u>\$83,523</u>	<u>\$2,127,856</u>

A. Bonds Payable:

The Board issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets.

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

The District has no outstanding serial bonds payable at June 30, 2022.

B. Bonds Authorized But Not Issued:

As of June 30, 2022 the Board has no authorized but not issued bonds.

C. Capital Leases

The District has no capital leases outstanding at June 30, 2022.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. 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 Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: http://www.state.nj.us/treasury/pensions/annrpts_archive.htm.

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, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Benefits Provided

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 fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

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

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.

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

Defined Contribution Retirement Program

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contributions Requirements Fund Based Statements

The Board's contribution to PERS AND DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year	<u>PERS</u>	<u>DCRP</u>
<u>Ending</u> 6/30/22	\$136,597	\$1,066
6/30/21	121,951	1,654
6/30/20	116,135	1,776

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement	NCGI	Long-Term
<u>Ending</u>	<u>Contributions</u>	<u>Medical</u>	<u>Premium</u>	<u>Disability</u>
<u>Ending</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Premium</u>	<u>Insurance</u>
6/30/22	\$2,459,612	\$582,773	\$34,702	\$1,637
6/30/21	1,667,763	532,595	31,731	1,626
6/30/20	1,233,708	465,886	22,113	1,847

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$517,961 during the year ended June 30, 2022 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68

Public Employees Retirement System (PERS)

At June 30, 2022, the District had a liability of \$1,381,755 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2021, the District's proportion was .0116638295 percent, which was an increase of .0005160578 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$(356,937). At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$21,792	\$9,892
Changes of assumptions	7,196	491,914
Net difference between projected and actual earnings on pension plan investments	-	363,991
Changes in proportion and differences between the District’s contributions and proportionate share of contributions	90,611	394,250
District contributions subsequent to the measurement date	<u>156,868</u>	<u>-</u>
Total	<u>\$276,467</u>	<u>\$1,260,047</u>

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

NOTE 7. PENSION PLANS, (continued)

The \$156,868 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, 2022, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2022	\$(326,034)
2023	(232,788)
2024	(158,721)
2025	(119,312)
2026	46

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.13, 5.16, 5.21, 5.63, 5.48 and 5.57 years for 2021, 2020, 2019, 2018, 2017 and 2016 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2021 and June 30, 2020 are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Collective deferred outflows of resources	\$1,164,738,169	\$2,347,583,337
Collective deferred inflows of resources	8,339,123,762	7,849,949,467
Collective net pension liability	11,972,782,878	16,435,616,426
Borough's Proportion	.0116638295%	.0111477717%

Actuarial Assumptions

The collective total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Inflation Rate:	
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 Percent

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

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

Long-Term Rate of Return

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

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2021 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1- percentage-point higher than the current rate:

	<u>June 30, 2021</u>		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$1,887,000	\$1,381,755	\$952,984

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

Teachers Pensions and Annuity Fund (TPAF)

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2022 was as follows:

Net Pension Liability:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>27,582,155</u>
	<u>\$ 27,582,155</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2021, the proportion of the TPAF net pension liability associated with the District was .0573729520%.

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue of \$649,020 for contributions provided by the State in the District-Wide Financial Statements.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.45% (based on years of service)
Thereafter	2.75%-5.65% (based on years of service)
Investment Rate of Return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Health 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 a future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Long-Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 7. PENSION PLANS, (continued)

ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68, (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

NOTE 8. POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan 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. The State Required OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as "the employers") for which the State is legally obligated to pay for benefits. The State Required OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premium or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retire on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP).

In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L. 1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan 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. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, 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: TPAF, PERS, PFRS, or ABP.

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

The State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

Total 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 GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASB-notices-OPEB.SHTML>.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2022 was as follows:

OPEB Liability:	
District's proportionate share	\$ 0
State's proportionate share associated with the District	<u>26,579,114</u>
	<u>\$ 26,579,114</u>

Actual Assumptions and Other Imputes

The total OPEB liability in the June 30, 2021 actuarial valuation reported by the State in the State's Report of Total Nonemployer OPEB Liability for the State Health Benefit Local Education Retired Employee's Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	2.75 - 5.65% based on service years	3.00 - 7.00% based on service years

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. POST-RETIREMENT BENEFITS, (continued)

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018 and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

(a) *Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

(b) *Discount Rate*

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Sensitivity of the Total Nonemployer OPEB Liability to Changes in the Healthcare Cost Trend Rates:

Because the District's proportionate share of the OPEB liability is zero, consideration of potential changes in the healthcare cost trend rates is not applicable to the District.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 8. 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, 2022, the board of education/board of trustees recognized on-behalf OPEB expense of \$2,018,414 in the district-wide financial statements as 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 GASB No. 75 and in which there is a special funding situation.

In accordance with GASB No. 75, the Town of Guttenberg School District's proportionate share of school retirees OPEB is zero; therefore, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

NOTE 9. 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:

Metropolitan Life Insurance Co.
AXA Equitable

NOTE 10. 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 Comprehensive Annual Financial Report.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this method, the District remits all contributions directly to the State of New Jersey Unemployment Trust Fund.

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 11. INVENTORY

Inventory in the Food Service Fund at June 30, 2022 consisted of the following:

Food	\$4,802
Supplies	<u>3,527</u>
	<u>\$8,329</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

NOTE 12. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Town of Guttenberg Board of Education by inclusion of \$1 on October 4, 2000 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) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve account for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	<u>\$ 1</u>
Ending Balance, June 30, 2022	<u><u>\$ 1</u></u>

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 13. FUND BALANCE APPROPRIATED

General Fund [Exhibit B-1] - Of the \$7,998,447 General Fund fund balance at June 30, 2022, \$117,342 is reserved for encumbrances; \$8,034,320 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$3,502,692 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023); \$1 has been reserved in the Capital Reserve Account; and \$(153,216) is unreserved and undesignated.

NOTE 14. DEFICIT FUND BALANCES

The District has a deficit fund balance of \$153,216 in the General Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). *N.J.S.A.* 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District deficit in the GAAP funds statements of \$153,216 is less than the last state aid payment.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to 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, 2022 is \$8,034,320. Of this amount, \$4,531,628 is the result of current year's operations.

NOTE 16. CAPITAL PROJECTS

On April 24, 2013, the Guttenberg Board of Education entered into a shared services agreement with the Town of Guttenberg to address the recreational and cultural needs of the community and at the same time address the overcrowding issues within the school district's current educational space. This Shared Services Agreement authorized additions and alterations to the Anna L. Klein school for the construction of a Community Center and increases in educational space. The \$20,233,320 project is to be funded

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 16. CAPITAL PROJECTS, (continued)

through a State of New Jersey's School's Development Authority Grant in the amount of \$3,651,737 received by the Board of Education and a local match from the Town of Guttenberg authorized in Bond Ordinance 2-2012 in the amount of \$16,581,583, adopted by the Mayor and Council on May 24, 2012. The Mayor and Council authorized additional funding for this project of \$1,500,000 in Bond Ordinance 8-2018 adopted on March 26, 2018 and \$700,000 in Bond Ordinance 28-2018 adopted on November 28, 2018.

NOTE 17. RIGHT TO USE LEASED ASSETS

The District has recorded right to use leased assets for the rental of various in-district copiers and the rental of office space for the Board of Education. The leases were initiated during fiscal year 2021-2022 for various terms that expire in fiscal years 2024 and 2025. The right to use leased assets are amortized on a straight-line basis over the terms of the related lease.

	<u>Balance July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2022</u>
Right to use assets				
Copiers	\$	\$195,921	\$	\$195,921
Leased Building	<u> </u>	<u>64,059</u>	<u> </u>	<u>64,059</u>
Total right to use assets	<u>0</u>	<u>259,980</u>	<u>0</u>	<u>259,980</u>
Less accumulated amortization for:				
Copiers		42,371		42,371
Leased Building	<u> </u>	<u>21,353</u>	<u> </u>	<u>21,353</u>
Total Accumulated Amortization		<u>63,724</u>	<u>0</u>	<u>63,724</u>
Right to use leased asset, net	<u>\$ 0</u>	<u>\$196,256</u>	<u>\$ 0</u>	<u>\$196,256</u>

**Town of Guttenberg School District
Notes to the Basic Financial Statements
for the fiscal year ended June 30, 2022**

NOTE 17. RIGHT TO USE LEASED ASSETS, (continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022 were as follows:

Fiscal Year <u>Ending</u>	Governmental <u>Activities</u>
2023	\$87,060
2024	87,060
2025	<u>36,160</u>
Total minimum lease payments	210,280
Less: Amount representing interest	<u>(10,286)</u>
Present value of lease payments	<u><u>\$199,994</u></u>

NOTE 18. CONTINGENT LIABILITIES

Grant Programs - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is aware of the following material items of noncompliance which would result in the disallowance of program expenditures.

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

NOTE 19. RELATED PARTY TRANSACTION

The District approved a new agreement for the rental of office space from the estate of a family member of the Business Administrator. The new lease was approved for the time frame of July 1, 2021 through June 30, 2022 at a cost of \$22,620 with a renewal option for fiscal years ending June 30, 2023 and June 30, 2024. The renewal option was exercised for the one year term ending June 30, 2023.

NOTE 20. SUBSEQUENT EVENTS

The District has evaluated subsequent events through February 13, 2023, the date which the financial statements were available to be issued and the following item was noted for disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

BUDGETARY COMPARISON SCHEDULES

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 11,321,822		11,321,822	11,321,822	
Miscellaneous				39,186	39,186
Total - Local Sources	11,321,822		11,321,822	11,361,008	39,186
State Sources:					
Transportation Aid	60,778		60,778	60,778	
Special Education Aid	1,189,648		1,189,648	1,189,648	
Equalization Aid	7,946,403		7,946,403	7,946,403	
Security Aid	603,184		603,184	603,184	
Extraordinary Aid				59,230	59,230
TPAF Pension Contributions (On-Behalf - Non Budgeted)				2,459,612	2,459,612
TPAF Postretirement Medical Contributions (On-Behalf - Non Budgeted)				582,773	582,773
TPAF LTDI (On-Behalf - Non Budgeted)				1,637	1,637
TPAF Non-Contributory Insurance (On-Behalf - Non Budgeted)				34,702	34,702
TPAF Social Security (Reimbursed - Non-Budgeted)				517,961	517,961
Total - State Sources	9,800,013		9,800,013	13,455,928	3,655,915
Federal Sources:					
Medical Assistance Program (SEMI)	25,186		25,186	13,696	(11,490)
Total - Federal Sources	25,186		25,186	13,696	(11,490)
TOTAL REVENUES	21,147,021		21,147,021	24,830,632	3,683,611
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Salaries of Teachers:					
Preschool - Salaries of Teachers	143,952		143,952	143,952	
Kindergarten - Salaries of Teachers	354,317		354,317	309,643	44,674
Grades 1-5 - Salaries of Teachers	1,748,051		1,748,051	1,536,394	211,657
Grades 6-8 - Salaries of Teachers	1,537,656		1,537,656	1,343,739	193,917
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000	81,584	86,584	86,584	
Other Purchased Services	40,000	(4,657)	35,343	1,697	33,646
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	279,718	(42,000)	237,718	221,853	15,865
General Supplies	321,992	(22,424)	299,568	51,904	247,664
Other Purchased Services (400-500 series)	80,000	2,408	82,408	70,040	12,368
Textbooks	162,557	(14,811)	147,746	147,746	
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,673,243	100	4,673,343	3,765,806	907,537
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	190,942		190,942	116,697	74,245
Total Learning and/or Language Disabilities	190,942		190,942	116,697	74,245
Mulitple Disabilities					
Salaries of Teachers	74,473		74,473	74,473	
Total Multiple Disabilities	74,473		74,473	74,473	
Resource Room/Resource Center:					
Salaries of Teachers	409,618	85,847	495,465	495,465	
Total Resource Room/Resource Center	409,618	85,847	495,465	495,465	
Autism:					
Salaries of Teachers	62,940		62,940	62,940	
Total Autism	62,940		62,940	62,940	
Preschool Disabilities - Full-Time:					
Salaries of Teachers	74,473		74,473	70,749	3,724
Total Preschool Disabilities - Full-Time	74,473		74,473	70,749	3,724
Home Instruction					
Salaries of Teachers		20,000	20,000	5,822	14,178
Total Home Instruction		20,000	20,000	5,822	14,178
TOTAL SPECIAL EDUCATION - INSTRUCTION	812,446	105,847	918,293	826,146	92,147
Basic Skills/Remedial-Instruction					
Salaries of Teachers	418,933	(15,000)	403,933	391,850	12,083
Total Basic Skills/Remedial-Instruction	418,933	(15,000)	403,933	391,850	12,083
Bilingual Education - Instruction					
Salaries of Teachers	575,387	(37,407)	537,980	537,980	
Other Salaries	75,000	(4,013)	70,987	13,333	57,654
General Supplies	5,000		5,000		5,000
Textbooks	15,000		15,000		15,000
Total Bilingual Education - Instruction	670,387	(41,420)	628,967	551,313	77,654
School-Sponsored Cocurricular Activities - Instruction					

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Salaries	65,000		65,000	46,751	18,249
Other Purchased Services (300-500 series)	36,000		36,000	31,112	4,888
Total School-Sponsored Co-curricular Activities - Instruction	101,000		101,000	77,863	23,137
School-Sponsored Athletics - Instruction					
Salaries	8,000		8,000	7,700	300
Purchased Services - (300-500 series)	7,000		7,000	7,000	
Total School-Sponsored Athletics - Instruction	15,000		15,000	14,700	300
Total Distributed Expenditures	6,691,009	49,527	6,740,536	5,627,678	1,112,858
Undistributed Expenditures - Instruction					
Tuition to Other LEAs within the State - Regular	5,250,000	(20,514)	5,229,486	4,537,121	692,365
Tuition to Other LEAs within the State - Special	978,631		978,631	398,153	580,478
Tuition to CSSD & Regional Day Schools	349,058		349,058	333,405	15,653
Tuition to Priv.Sch. For the Disabled W/I State	278,621		278,621	246,136	32,485
Total Undistributed Expenditures - Instruction	6,856,310	(20,514)	6,835,796	5,514,815	1,320,981
Undist. Expend. - Health Services					
Salaries	161,856		161,856	36,387	125,469
Purchased Professional and Technical Services	9,000		9,000	4,500	4,500
Supplies and Materials	15,000		15,000	4,835	10,165
Total Undistributed Expenditures - Health Services	185,856		185,856	45,722	140,134
Undist. Expenditures - Speech, OT, PT & Related Serv.					
Salaries	233,167	(31,087)	202,080	10,933	191,147
Purchased Professional - Educational Services	460,000		460,000	430,718	29,282
Total Undist. Expend. - Speech, OT, PT & Related Serv.	693,167	(31,087)	662,080	441,651	220,429
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	179,302	(23,301)	156,001	87,560	68,441
Salaries of Secretarial and Clerical Assistants	67,679	1,871	69,550	69,550	
Total Undist. Expend. - Guidance	246,981	(21,430)	225,551	157,110	68,441
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	256,130	8,089	264,219	263,834	385
Salaries of Secretarial and Clerical Assistants	21,251		21,251	21,250	1
Other Salaries	330,582		330,582	321,932	8,650
Supplies and Materials	5,000	(5,000)			
Total Undistributed Expenditures - Child Study Teams	612,963	3,089	616,052	607,016	9,036
Undist. Expend. - Improvement of Instructional Services					
Salaries of Other Professional Staff	95,000	6,060	101,060	98,499	2,561
Total Undist. Expend. - Improvement of Instructional Services	95,000	6,060	101,060	98,499	2,561
Undist. Expend. - Instructional Staff Training Services					
Salaries - Supervisors of Instruction	349,542	26,199	375,741	375,741	
Salaries - Secretarial and Clerical Assistant	92,354	(27,699)	64,655	62,201	2,454
Purchased Professional - Educational Services	55,000	1,992	56,992	52,392	4,600
Other Purchased Prof & Tech Services	35,000	(6,552)	28,448		28,448
Other Purchased Services (400-500 Series)	28,000		28,000		28,000
Total Undist. Expend. - Instructional Staff Training Services	559,896	(6,060)	553,836	490,334	63,502

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Undist. Expend. - Support Serv. - General Administration					
Salaries - Superintendent	286,772	(83,763)	203,009	203,008	1
Salaries - Secretary to Superintendent		50,800	50,800	50,800	
Legal Services	51,000		51,000	51,000	
Audit Fees	38,000	(1,500)	36,500	36,500	
Internal Control Audit Fees	28,000		28,000	28,000	
Purchased Technical Services	12,500		12,500	11,556	944
Communications/Telephone	65,000	(13,915)	51,085	32,559	18,526
BOE Other Purchased Services	920	(50)	870	420	450
Misc. Purchase 400-500 (Other 530 & 385)	2,500	1,997	4,497	4,165	332
General Supplies	6,000		6,000	6,000	
BOE In-House Training/Meeting Supplies	5,000	(2,551)	2,449	2,449	
Miscellaneous Expenditures	47,000	16,019	63,019	61,352	1,667
BOE Membership Dues and Fees	6,446		6,446	6,187	259
Total Undist. Expend. - Supp. Serv. - General Administration	549,138	(32,963)	516,175	493,996	22,179
Undist. Expend. - Support Serv. - School Administration					
Salaries - Principal & Asst. Principal	129,316		129,316	129,315	1
Salaries of Secretarial and Clerical Assistants	46,429	1,071	47,500	45,694	1,806
Purchased Professional and Technical Services	26,500		26,500	13,717	12,783
Other Purchased Services	3,000		3,000		3,000
Total Undist. Expend. - Support Serv. - School Administration	205,245	1,071	206,316	188,726	17,590
Undistributed Expenditures - Central Services					
Salaries	299,882	84,562	384,444	380,814	3,630
Supplies and Materials	5,000		5,000	4,901	99
Total Undists Expend. - Central Services	304,882	84,562	389,444	385,715	3,729
Undist. Expend. - Admin. Info. Tech.					
Salaries	133,469	(79,354)	54,115		54,115
Purchased Technical Services	20,000	26,684	46,684	44,874	1,810
Total Undist. Expend. - Admin. Info. Technology	153,469	(52,670)	100,799	44,874	55,925
Undist. Expend. - Required Maint. for School Facilities					
Salaries	74,263		74,263	74,263	
Cleaning, Repair and Maintenance Services	517,210	(310,925)	206,285	189,896	16,389
Lead Testing	2,000	(2,000)			
Total Undist. Expend. - Required Maint. for School Facilities	593,473	(312,925)	280,548	264,159	16,389
Undist. Expend. - Custodial Services					
Salaries	67,165	10,206	77,371	75,375	1,996
Salaries of Non-Instructional Aides	72,360	(10,206)	62,154	53,159	8,995
Contracted Maintenance - Cleaning		375,040	375,040	375,040	
Rental of Land & Bldg. Other than Lease Purch Agreement	265,620	(220,754)	44,866	44,866	
Other Purchased Property Services	114,000	4,500	118,500	30,618	87,882
Insurance	255,000	(7,453)	247,547	236,940	10,607
Miscellaneous Purchased Services	10,000	146,518	156,518	156,518	
General Supplies	110,000		110,000	34,831	75,169
Energy (Natural Gas)	190,000		190,000	87,029	102,971
Energy (Electricity)	245,000		245,000	120,817	124,183
Total Undist. Expend. - Other Oper. & Maint. of Plant Svcs.	1,329,145	297,851	1,626,996	1,215,193	411,803
Undist. Expend. - Security					
Salaries	99,448	(99,448)			
Purchased Professional and Technical Services	226,000	114,522	340,522	340,522	
Total Undistributed Expenditures - Security	325,448	15,074	340,522	340,522	
Total Undistributed Expend.-Oper & Maint of Plant Svcs.	2,248,066		2,248,066	1,819,874	428,192
Undistributed Expenditures - Student Transportation Svcs.					
Contract Serv. (Spec Ed Stds) - Joint Agreemnts	255,000	20,513	275,513	275,513	
Total Undist. Expend. - Student Transportation Svcs.	255,000	20,513	275,513	275,513	
TOTAL UNDISTRIBUTED EXPENDITURES	12,965,973	(49,429)	12,916,544	10,563,845	2,352,699

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
ALLOCATED BENEFITS					
Regular Programs - Instruction - Employee Benefits					
Social Security Contributions	58,000	33,509	91,509	88,738	2,771
T.P.A.F. Contributions - ERIP	22,000	(17,281)	4,719	4,719	
Unemployment Compensation	38,000		38,000	32,755	5,245
Health Benefits	1,206,901	(100,316)	1,106,585	564,531	542,054
Tuition Reimbursement	30,000		30,000	17,764	12,236
Other Employee Benefits	8,000	(229)	7,771	1,391	6,380
Total Regular Programs - Instruction	1,362,901	(84,317)	1,278,584	709,898	568,686
Special Programs - Instruction - Employee Benefits					
Social Security Contributions	24,000	(24,000)			
Health Benefits	690,168	50,124	740,292	717,557	22,735
Other Employee Benefits	4,000		4,000	1,153	2,847
Unused Sick Payment to Terminated/Retired Staff	20,874	19,700	40,574	19,032	21,542
Total Special Programs - Instruction - Employee Benefits	739,042	45,824	784,866	737,742	47,124
Health Services - Employee Benefits					
Social Security Contributions	2,200		2,200		2,200
Health Benefits	62,845		62,845	20,539	42,306
Other Employee Benefits	1,600		1,600		1,600
Total Health Services - Employee Benefits	66,645		66,645	20,539	46,106
Other Support Serv. - Speech, OT, PT, & Rel. Svc - Employee Benefits					
Social Security Contributions	14,200		14,200		14,200
Health Benefits	79,739		79,739	17,027	62,712
Other Employee Benefits	800		800		800
Total Other Support Services- Employee Benefits	94,739		94,739	17,027	77,712
Other Support Services - Guidance - Employee Benefits:					
Social Security Contributions	9,700		9,700		9,700
Health Benefits	129,259		129,259	68,033	61,226
Other Employee Benefits	3,600		3,600	900	2,700
Unused Sick Payment to Terminated/Retired Staff	26,206		26,206		26,206
Total Other Support Services - Guidance - Employee Benefits	168,765		168,765	68,933	99,832
Other Support Services - Child Study Team - Employee Benefits					
Social Security Contributions	8,596		8,596	1,392	7,204
Health Benefits	93,520	(10,380)	83,140	60,334	22,806
Other Employee Benefits	2,800		2,800	600	2,200
Total Other Support Svcs - Child Study Team - Employee Benefits	104,916	(10,380)	94,536	62,326	32,210
Instructional Staff Training Services - Employee Benefits					
Social Security Contributions	4,710	(905)	3,805		3,805
Health Benefits	127,921	25,364	153,285	153,285	
Other Employee Benefits	4,000		4,000	260	3,740
Total Instructional Staff Training Services - Employee Benefits	136,631	24,459	161,090	153,545	7,545
Support Services - General Admin - Employee Benefits					
Social Security Contributions	4,400		4,400	3,694	706
Health Benefits	63,621	889	64,510	60,484	4,026
Other Employee Benefits	2,000		2,000	295	1,705
Total Support Services - General Admin - Employee Benefits	70,021	889	70,910	64,473	6,437
Support Services - School Admin - Employee Benefits					
Social Security Contributions	5,000		5,000	3,513	1,487
Health Benefits	45,615	5,940	51,555	23,940	27,615
Other Employee Benefits	1,600		1,600	270	1,330
Total Support Services - School Admin - Employee Benefits	52,215	5,940	58,155	27,723	30,432
Support Services - Central Services - Employee Benefits					
Social Security Contributions	9,000	8,000	17,000	15,633	1,367
Health Benefits	40,252	28,582	68,834	68,640	194
Other Employee Benefits	2,800		2,800	250	2,550
Total Support Services - Central Services - Employee Benefits	52,052	36,582	88,634	84,523	4,111
Support Services - Admin. Info. Tech. - Employee Benefits					
Social Security Contributions	3,800	5,267	9,067	8,717	350
Health Benefits	45,873	(5,267)	40,606		40,606
Other Employee Benefits	1,200		1,200		1,200
Total Support Services - Admin. Info. Tech. - Employee Benefits	50,873		50,873	8,717	42,156

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final To Actual
Custodial Services - Employee Benefits					
Social Security Contributions	4,000	1,704	5,704	5,489	215
Health Benefits	52,997	(799)	52,198	44,344	7,854
Other Employee Benefits	2,000		2,000	150	1,850
Total Custodial Services - Employee Benefits	<u>58,997</u>	<u>905</u>	<u>59,902</u>	<u>49,983</u>	<u>9,919</u>
Support Services - Security - Employee Benefits					
Social Security Contributions	2,000		2,000		2,000
Health Benefits	30,347	(20,000)	10,347		10,347
Total Security - Employee Benefits	<u>32,347</u>	<u>(20,000)</u>	<u>12,347</u>		<u>12,347</u>
TOTAL ALLOCATED BENEFITS	<u>2,990,144</u>	<u>(98)</u>	<u>2,990,046</u>	<u>2,005,429</u>	<u>984,617</u>
UNALLOCATED BENEFITS					
Unallocated Benefits - Employee Benefits					
Other Retirement Contributions - PERS	160,000		160,000	141,029	18,971
Total Unallocated Benefits - Employee Benefits	<u>160,000</u>		<u>160,000</u>	<u>141,029</u>	<u>18,971</u>
Total Personal Services - Employee Benefits	<u>3,150,144</u>	<u>(98)</u>	<u>3,150,046</u>	<u>2,146,458</u>	<u>1,003,588</u>
On-behalf TPAF Pension and Post Retirement					
Medical Contributions (non-budgeted)				3,042,385	(3,042,385)
On-behalf TPAF Long Term Disability Insurance (non-budgeted)				1,637	(1,637)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				34,702	(34,702)
Reimbursed TPAF Social Security Contributions (non-budgeted)				517,961	(517,961)
TOTAL ON-BEHALF CONTRIBUTIONS				<u>3,596,685</u>	<u>(3,596,685)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>16,116,117</u>	<u>(49,527)</u>	<u>16,066,590</u>	<u>16,306,988</u>	<u>(240,398)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>22,807,126</u>		<u>22,807,126</u>	<u>21,934,666</u>	<u>872,460</u>
CAPITAL OUTLAY					
Equipment - Undistributed:					
School Administration	12,319		12,319	12,319	
Total Equipment	<u>12,319</u>		<u>12,319</u>	<u>12,319</u>	
TOTAL CAPITAL OUTLAY	<u>12,319</u>		<u>12,319</u>	<u>12,319</u>	
GENERAL FUND					
Transfer of Funds to Charter Schools	77,101		77,101	77,101	
TOTAL EXPENDITURES	<u>22,896,546</u>		<u>22,896,546</u>	<u>22,024,086</u>	<u>872,460</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(1,749,525)		(1,749,525)	2,806,546	4,556,071
Other Financing Sources/(Uses):					
Insurance Recovery Related to Impaired Capital Asset				133,062	(133,062)
Total Other Financing Sources/(Uses):				<u>133,062</u>	<u>(133,062)</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	(1,749,525)		(1,749,525)	2,939,608	4,423,009

GUTTENBERG BOARD OF EDUCATION
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final To Actual</u>
Fund Balance, July 1			6,008,381	6,008,381	
Fund Balance, June 30	<u>(1,749,525)</u>		<u>4,258,856</u>	<u>8,947,989</u>	<u>4,423,009</u>
Recapitulation of excess (deficiency) of revenues under expenditures					
Adjustment for Prior Year Encumbrances	(30,101)		(30,101)	(30,101)	
Budgeted Withdrawal of Maintenance Reserve					
Budgeted Fund Balance	<u>(1,719,424)</u>		<u>(1,719,424)</u>	2,862,874	4,582,298
	<u>(1,749,525)</u>		<u>(1,749,525)</u>	<u>2,832,773</u>	<u>4,582,298</u>
Recapitulation					
Restricted Fund Balance:					
Capital Reserve				1	
Excess Surplus - Designated for Subsequent year's expenditures				3,502,692	
Excess Surplus - Current Year				4,531,628	
Assigned Fund Balance:					
Year-End Encumbrances				117,342	
Unassigned Fund Balance				<u>796,326</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Less: Last State Aid Payment not recognized, GAAP Basis				<u>(949,542)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>7,998,447</u>	

GUTTENBERG BOARD OF EDUCATION
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual	
REVENUES:						
Local Sources		-		31,031	31,031	Note (1)
State Sources	59,634	20,824	80,458	46,186	(34,272)	
Federal Sources	745,516	9,948,069	10,693,585	3,521,099	(7,172,486)	
Total Revenues	805,150	9,968,893	10,774,043	3,598,316	(7,175,727)	
EXPENDITURES:						
Instruction:						
Salaries of Teachers	745,516	(141,481)	604,035	330,409	273,626	
Other Salaries for Instruction		403,395	403,395	227,250	176,145	
Purchased Professional - Educational Services		9,161	9,161	3,098	6,063	
Other Purchased Services (400-500 series)		209,371	209,371	209,371	-	
General Supplies	39,634	1,480,530	1,520,164	818,152	702,012	
Total instruction	785,150	1,960,976	2,746,126	1,588,280	1,157,846	
Support services:						
Salaries of Program Directors		1,600	1,600	1,600	-	
Salaries of Other Professional Staff		1,009,867	1,009,867	660,035	349,832	
Personal Services - Employee Benefits		1,025,916	1,025,916	721,977	303,939	
Purchased Professional and Technical Services		690,031	690,031	332,126	357,905	
Purchased Property Services		4,836,753	4,836,753	77,859	4,758,894	
Other Purchased Professional Services		104,266	104,266	26,964	77,302	
Supplies & Materials	10,000	240,484	250,484	105,654	144,830	
Other Objects	10,000	89,000	99,000	43,655	55,345	
Student Activities		-		31,021	(31,021)	
Scholarships and Awards		-		1,130	(1,130)	
Total support services	20,000	7,997,917	8,017,917	2,002,021	6,015,896	
Facilities acquisition and const. serv.:						
Instructional Equipment		10,000	10,000	9,135	865	
Non-Instructional Equipment		-		-	-	
Total facilities acquisition and const. serv.	-	10,000	10,000	9,135	865	
Total Expenditures	805,150	9,968,893	10,774,043	3,599,436	7,174,607	
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	(1,120)	(1,120)	
Fund Balance, July 1				30,527		
Fund Balance, June 30				29,407		
Recapitulation:						
Restricted:						
Scholarships				9,267		
Student Activities				20,140		
Total Fund Balance				29,407		

Note 1 - Not Required to budget for these funds.

**GUTTENBERG BOARD OF EDUCATION
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to Required Supplementary Information - Part II
 Fiscal Year Ended June 30, 2022**

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	24,830,632	3,598,316
Differences - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Prior Year			
Current Year			
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		809,025	(5,963)
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(949,542)	5,963
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	24,690,115	3,598,316
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	22,024,086	3,599,436
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but the in year the supplies are received for financial reporting purposes.			
Prior Year			
Current Year			
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	22,024,086	3,599,436

**REQUIRED SUPPLEMENTARY
INFORMATION - PART III**

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	District's	District's	District's	District's	District's	Plan Fiduciary
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll - PERS Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Net Position as a Percentage of the Total Pension Liability
2015	0.0126369266%	\$ 2,365,978	\$ 1,105,455	\$ 2,365,978	214.03%	52.08%
2016	0.0150120072%	\$ 3,369,895	\$ 1,017,583	\$ 3,369,895	331.17%	47.93%
2017	0.0163373900%	\$ 4,838,666	\$ 993,558	\$ 4,838,666	487.00%	59.86%
2018	0.0149705330%	\$ 3,484,901	\$ 897,879	\$ 3,484,901	388.13%	48.10%
2019	0.0139232100%	\$ 2,741,412	\$ 803,989	\$ 2,741,412	340.98%	53.60%
2020	0.0119393802%	\$ 2,151,295	\$ 876,767	\$ 2,151,295	245.37%	56.27%
2021	0.011477717%	\$ 1,817,910	\$ 904,632	\$ 1,817,910	200.96%	58.32%
2022	0.0116638295%	\$ 1,381,755	\$ 898,518	\$ 1,381,755	153.78%	70.33%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	Contractually Required Contribution		Contributions in Relation to the Contractually Required Contributions		Contribution Deficiency (Excess)	District's PERS Covered-Employee Payroll	Contributions as a Percentage of PERS Covered-Employee Payroll
	Contractually Required Contribution	Contractually Required Contribution	Contractually Required Contributions	Contractually Required Contributions			
2015	\$ 104,177	\$	(213,991)	\$ (109,814)	\$ 1,105,455	9.42%	
2016	129,063		(208,873)	(79,810)	1,017,583	12.68%	
2017	145,139		(217,018)	(71,879)	993,558	14.61%	
2018	138,686		(138,686)	-	897,879	15.45%	
2019	138,491		(138,491)	-	803,989	17.23%	
2020	116,135		(116,135)	-	876,767	13.25%	
2021	121,951		(121,951)	-	904,632	13.48%	
2022	136,597		(136,597)	-	898,518	15.20%	

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

GUTTENBERG BOARD OF EDUCATION
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
*Last 10 Fiscal Years**

Fiscal Year Ending June 30,	District's	District's	State's	District's	District's	District's	Plan Fiduciary
	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability Associated with the District (Asset)	Proportionate Share of the Net Pension Liability Associated with the District (Asset)	District's Covered Payroll - TPAF Employee's	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its' Covered Payroll	Net Position as a Percentage of the Total Pension Liability
2015	0.0426297375%		\$ 24,744,440	\$ 24,744,440	5,690,343	0.00%	33.64%
2016	0.0497211990%		31,425,921	31,425,921	5,641,459	0.00%	28.71%
2017	0.0542707916%		42,692,860	42,692,860	5,795,976	0.00%	22.33%
2018	0.0563326534%		37,981,506	37,981,506	5,978,912	0.00%	25.41%
2019	0.0537065888%		34,166,978	34,166,978	6,197,942	0.00%	26.49%
2020	0.0555920406%		34,117,360	34,117,360	6,581,803	0.00%	26.95%
2021	0.0562468390%		37,037,867	37,037,867	6,612,057	0.00%	24.60%
2022	0.0573729520%		27,582,155	27,582,155	6,789,473	0.00%	35.52%

* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

GUTTENBERG BOARD OF EDUCATION
Note to Required Schedules of Supplementary Information - Part III
Fiscal Year Ended June 30, 2022

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms
None

Change in assumptions
None

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms
None

Change in assumptions
None

GUTTENBERG BOARD OF EDUCATION
Schedule of Required Supplementary Information
Schedule of Changes in the District's Proportionate Share of the State OPEB Liability
Last 10 Fiscal Years*

	2022	2021	2020	2019
Total OPEB Liability				
Service Costs	1,949,391	1,123,892	989,377	\$ 1,117,421
Interest on Total OPEB Liability	689,490	654,007	779,452	883,699
Changes of Benefit Terms	(28,290)			
Difference between Expected and Actual Experiences	(4,871,777)	4,890,088	(3,110,567)	(3,673,130)
Changes in Assumptions	26,222	5,359,332	265,512	(2,227,878)
Gross Benefit Payments	(543,125)	(510,778)	(546,639)	(519,129)
Contribution from the Member	17,627	15,482	16,204	17,942
Net Changes in total Share of OPEB Liability	<u>(2,760,462)</u>	<u>11,532,023</u>	<u>(1,606,661)</u>	<u>(4,401,075)</u>
Total OPEB Liability - Beginning	<u>29,339,576</u>	<u>17,807,553</u>	<u>19,414,214</u>	<u>23,815,289</u>
Total OPEB Liability - Ending	<u>\$ 26,579,114</u>	<u>\$ 29,339,576</u>	<u>\$ 17,807,553</u>	<u>\$ 19,414,214</u>
District's Proportionate Share of OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of OPEB Liability	<u>26,579,114</u>	<u>29,339,576</u>	<u>17,807,553</u>	<u>19,414,214</u>
Total OPEB Liability - Ending	<u>\$ 26,579,114</u>	<u>\$ 29,339,576</u>	<u>\$ 17,807,553</u>	<u>\$ 19,414,214</u>
District's Covered Employee Payroll	<u>\$ 7,687,991</u>	<u>\$ 7,458,570</u>	<u>\$ 7,001,931</u>	<u>\$ 7,001,931</u>
Districts' Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%

Notes to Schedule:

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

Change in benefit terms The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Change in assumptions Assumptions used in calculating the OPEB liability are presented in Note 8.

* GASB requires that ten years of information be presented. However, since fiscal year 2018 was the first year of GASB 75 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

Other Supplementary Information

SPECIAL REVENUE FUND

GUTTENBERG BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 June 30, 2022

	Total Brought Forward (Ex. E-1a)	Title I, Improving Basic Skills	Title II, Part A Teacher and Principal Training and Recruiting Fund	Title III, English Language Acquisition and Language Enhancement	Title III - Immigrant	Title IV	Totals 2022
REVENUES							
Local Sources	31,031						31,031
State Sources	46,186						46,186
Federal Sources	2,504,114	845,404	100,141	28,390	11,709	31,341	3,521,099
Total Revenues	2,581,331	845,404	100,141	28,390	11,709	31,341	3,598,316
EXPENDITURES:							
Instruction:							
Salaries of Teachers	112,527	166,400	51,482				330,409
Other Salaries for Instruction	100,186	104,431		22,633			227,250
Purchased Professional - Educational Services	3,098						3,098
Other Purchased Services (400-500 series)	209,371						209,371
General Supplies	650,429	142,048		5,427	11,709	8,539	818,152
Other Objects	-						-
Textbooks	-						-
Total Instruction	1,075,611	412,879	51,482	28,060	11,709	8,539	1,588,280
Support services:							
Salaries of Program Directors	-	1,600					1,600
Salaries of Other Professional Staff	520,142	134,077				5,816	660,035
Personal Services - Employee Benefits	411,337	261,981	48,659				721,977
Purchased Professional and Technical Services	305,932	9,994				16,200	332,126
Purchased Property Services	77,859						77,859
Other Purchased Professional Services	25,871	763		330			26,964
Supplies & Materials	80,758	24,110				786	105,654
Other Objects	43,655						43,655
Student Activities	31,021						31,021
Scholarships and Awards	1,130						1,130
Total support services	1,497,705	432,525	48,659	330	-	22,802	2,002,021
Facilities acquisition and const. serv.:							
Instructional Equipment	9,135						9,135
Non-Instructional Improvements	-						-
Total facilities acquisition and const. serv.	9,135	-	-	-	-	-	9,135
Total Expenditures	2,582,451	845,404	100,141	28,390	11,709	31,341	3,599,436
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(1,120)	-	-	-	-	-	(1,120)
Fund Balance, July 1	30,527						30,527
Fund Balance, June 30	29,407						29,407

GUTTENBERG BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1b)	L.D.E.A. Part B, Basic	L.D.E.A. Part B Preschool	CARES Act	COVID Relief Fund	Preschool Education Aid	SDA Emergent Needs	Total Carried Forward
REVENUES								
Local Sources	31,031							31,031
State Sources	-					25,362	20,824	46,186
Federal Sources	2,150,985	240,114	9,479	98,021	5,515			2,504,114
Total Revenues	2,182,016	240,114	9,479	98,021	5,515	25,362	20,824	2,581,331
EXPENDITURES:								
Instruction:								
Salaries of Teachers	112,527							112,527
Other Salaries for Instruction	100,186							100,186
Purchased Professional - Educational Services	3,098							3,098
Other Purchased Services (400-500 series)	52,649	156,722						209,371
General Supplies	619,626	3,571	406	14,795		12,031		650,429
Other Objects	-							-
Textbooks	-							-
Total instruction	888,086	160,293	406	14,795	-	12,031	-	1,075,611
Support services:								
Salaries of Program Directors	-							-
Salaries of Other Professional Staff	485,727			34,415				520,142
Personal Services - Employee Benefits	394,756			16,581				411,337
Purchased Professional and Technical Services	228,986	76,821		125			20,824	305,932
Purchased Property Services	57,035							57,035
Other Purchased Professional Services	-		9,073	16,798				25,871
Supplies & Materials	56,120	3,000		13,957	5,515	2,166		80,758
Other Objects	31,140			1,350		11,165		43,655
Student Activities	31,021							31,021
Scholarships and Awards	1,130							1,130
Total support services	1,285,915	79,821	9,073	83,226	5,515	13,331	20,824	1,497,705
Facilities acquisition and const. serv.:								
Instructional Equipment	9,135							9,135
Non-Instructional Improvements	-							-
Total facilities acquisition and const. serv.	9,135	-	-	-	-	-	-	9,135
Total Expenditures	2,183,136	240,114	9,479	98,021	5,515	25,362	20,824	2,582,451
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(1,120)	-	-	-	-	-	-	(1,120)
Fund Balance, July 1	30,527							30,527
Fund Balance, June 30	29,407							29,407

GUTTENBERG BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1c)	ARP IDEA Basic	ARP IDEA Preschool	ESSER II	ESSER II - Learning Acceleration	ESSER II - Mental Health	Total Carried Forward
Local Sources	31,031	-	-	-	-	-	31,031
State Sources	-	52,649	4,398	1,725,394	15,255	45,000	2,150,985
Federal Sources	308,289	-	-	-	-	-	-
Total Revenues	339,320	52,649	4,398	1,725,394	15,255	45,000	2,182,016
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	-	-	112,527	-	-	112,527
Other Salaries for Instruction	12,358	-	3,098	81,766	6,062	-	100,186
Purchased Professional - Educational Services	-	-	-	-	-	-	3,098
Other Purchased Services (400-500 series)	-	52,649	-	-	-	-	52,649
General Supplies	71,854	-	1,300	537,279	9,193	-	619,626
Other Objects	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total instruction	84,212	52,649	4,398	731,572	15,255	-	888,086
Support services:							
Salaries of Program Directors	-	-	-	-	-	-	-
Salaries of Other Professional Staff	46,341	-	-	439,386	-	-	485,727
Personal Services - Employee Benefits	24,616	-	-	370,140	-	-	394,756
Purchased Professional and Technical Services	111,574	-	-	72,412	-	45,000	228,986
Purchased Property Services	-	-	-	57,035	-	-	57,035
Other Purchased Professional Services	-	-	-	-	-	-	-
Supplies & Materials	10,406	-	-	45,714	-	-	56,120
Other Objects	31,140	-	-	-	-	-	31,140
Student Activities	31,021	-	-	-	-	-	31,021
Scholarships and Awards	1,130	-	-	-	-	-	1,130
Total support services	256,228	-	-	984,687	-	45,000	1,285,915
Facilities acquisition and const. serv.:							
Instructional Equipment	-	-	-	9,135	-	-	9,135
Non-Instructional Improvements	-	-	-	-	-	-	-
Total facilities acquisition and const. serv.	-	-	-	9,135	-	-	9,135
Total Expenditures	340,440	52,649	4,398	1,725,394	15,255	45,000	2,183,136
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(1,120)	-	-	-	-	-	(1,120)
Fund Balance, July 1	30,527	-	-	-	-	-	30,527
Fund Balance, June 30	29,407	-	-	-	-	-	29,407

GUTTENBERG BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1d)	ARP ESSER III	ARP, ESSER III Learning Acceleration	ARP, ESSER - III Beyond The School Day	ARP, ESSER - III Mental Health	ARP Homeless	Total Carried Forward
REVENUES							
Local Sources	31,031	-	-	-	-	-	31,031
State Sources	-	259,506	6,661	8,713	33,197	212	308,289
Federal Sources	-	-	-	-	-	-	-
Total Revenues	31,031	259,506	6,661	8,713	33,197	212	339,320
EXPENDITURES:							
Instruction:							
Salaries of Teachers	-	-	-	-	-	-	-
Other Salaries for Instruction	-	6,600	-	5,758	-	-	12,358
Purchased Professional - Educational Services	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	63,328	6,661	1,865	-	-	71,854
General Supplies	-	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Total instruction	-	69,928	6,661	7,623	-	-	84,212
Support services:							
Salaries of Program Directors	-	-	-	-	-	-	-
Salaries of Other Professional Staff	-	46,341	-	-	-	-	46,341
Personal Services - Employee Benefits	-	24,616	-	-	33,197	-	24,616
Purchased Professional and Technical Services	-	78,377	-	-	-	-	111,574
Purchased Property Services	-	-	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-	-	-
Supplies & Materials	-	9,104	-	1,090	-	212	10,406
Other Objects	-	31,140	-	-	-	-	31,140
Student Activities	31,021	-	-	-	-	-	31,021
Scholarships and Awards	1,130	-	-	-	-	-	1,130
Total support services	32,151	189,578	-	1,090	33,197	212	256,228
Facilities acquisition and const. serv.:							
Instructional Equipment	-	-	-	-	-	-	-
Non-Instructional Improvements	-	-	-	-	-	-	-
Total facilities acquisition and const. serv.	-	-	-	-	-	-	-
Total Expenditures	32,151	259,506	6,661	8,713	33,197	212	340,440
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(1,120)	-	-	-	-	-	(1,120)
Fund Balance, July 1	30,527	-	-	-	-	-	30,527
Fund Balance, June 30	29,407	-	-	-	-	-	29,407

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
Fiscal Year Ended June 30, 2022

	Total Brought Forward (Ex. E-1e)	Anna L. Klein School Fund	Anna L. Klein Student Activity Fund	Graduating Class Fund	Total Carried Forward
REVENUES					
Local Sources	2,193	1,673	10,241	16,924	31,031
State Sources	-	-	-	-	-
Federal Sources	-	-	-	-	-
Total Revenues	2,193	1,673	10,241	16,924	31,031
EXPENDITURES:					
Instruction:					
Salaries of Teachers	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
General Supplies	-	-	-	-	-
Total instruction	-	-	-	-	-
Support services:					
Salaries of Program Directors	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Technical Services	-	-	-	-	-
Purchased Property Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Student Activities	2,725	1,700	7,063	19,533	31,021
Scholarships and Awards	1,130	-	-	-	1,130
Total support services	3,855	1,700	7,063	19,533	32,151
Facilities acquisition and const. serv.:					
Instructional Equipment	-	-	-	-	-
Non-Instructional Improvements	-	-	-	-	-
Total facilities acquisition and const. serv.	-	-	-	-	-
Total Expenditures	3,855	1,700	7,063	19,533	32,151
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(1,662)	(27)	3,178	(2,609)	(1,120)
Fund Balance, July 1	14,484	4,099	5,085	6,859	30,527
Fund Balance, June 30	12,822	4,072	8,263	4,250	29,407

GUTTENBERG BOARD OF EDUCATION
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 Fiscal Year Ended June 30, 2022

	Student Council Account	Anna L. Klein Yearbook Account	Mauro Scholarship Account	Total Carried Forward
REVENUES				
Local Sources	438	1,700	55	2,193
State Sources	-			-
Federal Sources	-			-
Total Revenues	438	1,700	55	2,193
EXPENDITURES:				
Instruction:				
Salaries of Teachers				-
Other Salaries for Instruction				-
Purchased Professional - Educational Services				-
Other Purchased Services (400-500 series)				-
General Supplies				-
Other Objects				-
Textbooks				-
Total instruction	-	-	-	-
Support services:				
Salaries of Program Directors				-
Salaries of Other Professional Staff				-
Personal Services - Employee Benefits				-
Purchased Professional and Technical Services				-
Purchased Property Services				-
Other Purchased Professional Services				-
Supplies & Materials				-
Other Objects				-
Student Activities	300	2,425	1,130	2,725
Scholarships and Awards				1,130
Total support services	300	2,425	1,130	3,855
Facilities acquisition and const. serv.:				
Instructional Equipment				-
Non-Instructional Improvements				-
Total facilities acquisition and const. serv.	-	-	-	-
Total Expenditures	300	2,425	1,130	3,855
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	138	(725)	-	(1,662)
Fund Balance, July 1	2,778	1,364	10,342	14,484
Fund Balance, June 30	2,916	639	9,267	12,822

GUTTENBERG BOARD OF EDUCATION
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
Fiscal Year Ended June 30, 2022

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	38,469	12,031	26,438
General Supplies	-	-	-
Total instruction	38,469	12,031	26,438
Support services:			
Purchased Professional - Educational Services	11,165	11,165	-
Supplies and Materials	10,000	2,166	7,834
Total support services	21,165	13,331	7,834
Total expenditures	59,634	25,362	34,272

Calculation of Budget and Carryover

Total Revised 2021-22 Preschool Education Aid Allocation	59,634
Add: Actual ECPA/PEA Carryover (June 30, 2021)	4,483
Add: Budgeted transfer from General Fund 2021-22	-
Total Preschool Education Funds Available for 2021-22 Budget	64,117
Less: 2021-22 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	(59,634)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2021	4,483
Add: June 30, 2022 Unexpended Preschool Education Aid	34,272
2021-22 Actual Carryover - Preschool Education Aid Programs	38,755
2021-22 Preschool Education Aid Carryover Budgeted for Preschool Programs 2022-23	-

CAPITAL PROJECTS FUND

GUTTENBERG BOARD OF EDUCATION
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and Changes
in Fund Balance-Budgetary Basis
Fiscal Year Ended June 30, 2022

Revenues

State Sources - SCC Grant	-
Certificates of Participation	-
Local Share	(523,183)
Transfers from Capital Reserve	-
Transfers from Capital Outlay	-
Transfers from Food Service Fund	-
Interest earnings	-
	-
	(523,183)

Expenditures

Purchased professional and technical services	-
Land and improvements	-
Construction services	-
Equipment purchases	-
	-
	-

Net change in fund balance (523,183)

Fund balance - beginning 523,183

Fund balance - ending \$ -

Analysis of Fund Balance

Assigned to:	
Additions and Alterations to the Anna L. Klein School	-
	\$ -

GUTTENBERG BOARD OF EDUCATION
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis
Additions and Alterations to the Anna L. Klein School
Fiscal Year Ended June 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues				
State Sources - SCC Grant	3,651,737		3,651,737	
Certificates of Participation			-	
Local Share	18,781,583	(523,183)	18,258,400	
Transfers from Capital Reserve			-	
Transfers from Capital Outlay			-	
Donations			-	
	<u>22,433,320</u>	<u>(523,183)</u>	<u>21,910,137</u>	<u>-</u>
Expenditures				
Purchased professional and technical services	2,264,827		2,264,827	
Land and improvements	35,018		35,018	
Construction services	19,610,292		19,610,292	
Equipment purchases			-	
	<u>21,910,137</u>	<u>-</u>	<u>21,910,137</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>523,183</u>	<u>(523,183)</u>	<u>-</u>	<u>-</u>
Additional project information:				
Project number	1850-050-09-0ZZW			
Grant Date	5/20/2013			
Bond authorization date	5/29/2012			
Bonds authorized	20,791,666			
Bonds issued				
Original authorization cost	22,433,320			
Additional authorized cost				
Revised authorized cost	22,433,320			
Percentage increase over original authorized cost	-			
Percentage completion	98%			
Original target completion date	8/31/2017			
Revised target completion date	5/31/2018			

PROPRIETARY FUNDS

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Net Position
Enterprise Funds
June 30, 2022

	<u>Enterprise Fund</u> Food Service Program	<u>Internal Service Fund</u> Building Maintenance	<u>Totals</u>
ASSETS			
Current assets:			
Cash and cash equivalents	260,813	152,208	413,021
Accounts receivable:			
State	848		848
Federal	73,212		73,212
Other	17,141		17,141
Inventories	8,329		8,329
Total current assets	<u>360,343</u>	<u>152,208</u>	<u>512,551</u>
Noncurrent assets:			
Capital assets:			
Equipment	85,209		85,209
Less accumulated depreciation:			
Equipment	<u>(52,909)</u>		<u>(52,909)</u>
Total capital assets (net of accumulated depreciation)	<u>32,300</u>	-	<u>32,300</u>
Total assets	<u>392,643</u>	<u>152,208</u>	<u>544,851</u>
LIABILITIES			
Current liabilities:			
Accounts payable	-		-
Unearned Revenue	24,720		
Interfund - General Fund	37,349		37,349
Total current liabilities	<u>62,069</u>	<u>-</u>	<u>37,349</u>
NET POSITION			
Net Investment in Capital Assets	32,300	-	32,300
Restricted contributed capital	32,055		32,055
Unrestricted	266,219	152,208	418,427
Total net position	<u>330,574</u>	<u>152,208</u>	<u>482,782</u>

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
Fiscal Year Ended June 30, 2022

	<u>Enterprise Funds</u>	<u>Internal Service Fund</u>	<u>Totals</u>
	<u>Food Service Program</u>	<u>Building Maintenance</u>	
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs			-
Daily sales - non-reimbursable programs	305		305
Total operating revenues	305	-	305
Operating expenses:			
Cost of sales - reimbursable programs	142,465		142,465
Cost of sales - non-reimbursable programs	-		-
Salaries	160,187		160,187
Supplies and materials	1,398		1,398
Employee benefits	41,414		41,414
Cleaning repair & maintenance	986		986
Purchased services	25,720		25,720
Miscellaneous	4,587		4,587
Depreciation	2,447		2,447
Total Operating Expenses	379,204	-	379,204
Operating income (loss)	(378,899)	-	(378,899)
Nonoperating revenues (expenses):			
State sources:			
State school lunch program	9,018		9,018
Federal sources:			
National school lunch program	379,422		379,422
National school breakfast program	92,352		92,352
P-EBT administrative costs	628		628
Food distribution program	32,239		32,239
Additional Subsidy Aid - Prior Year	629		629
Interest and investment revenue	3,763	814	4,577
Total nonoperating revenues (expenses)	518,051	814	518,865
Income (loss) before contributions & transfers	139,152	814	139,966
Change in net position	139,152	814	139,966
Total net position—beginning	191,422	151,394	342,816
Total net position—ending	330,574	152,208	482,782

GUTTENBERG BOARD OF EDUCATION
Combining Statement of Cash Flows
Enterprise Funds
Fiscal Year Ended June 30, 2022

	<u>Enterprise Funds</u> Food Service Program	<u>Internal Service Fund</u> Building Maintenance	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	305	-	305
Payments to employees	(12,777)	-	(12,777)
Payments to outside food service management company	(349,021)	-	(349,021)
Payments for supplies	(2,171)	-	(2,171)
Payments for miscellaneous expenditures	(17,141)	-	(17,141)
Net cash provided by (used for) operating activities	<u>(380,805)</u>	<u>-</u>	<u>(380,805)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	9,115	-	9,115
Federal Sources	485,903	-	485,903
Additional Subsidy Aid - Prior Year	629	-	629
Net cash provided by (used for) non-capital financing activities	<u>495,647</u>	<u>-</u>	<u>495,647</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	3,763	814	4,577
Net cash provided by (used for) investing activities	<u>3,763</u>	<u>814</u>	<u>4,577</u>
Net increase (decrease) in cash and cash equivalents	118,605	814	119,419
Balances—beginning of year	142,208	151,394	293,602
Balances—end of year	<u>260,813</u>	<u>152,208</u>	<u>413,021</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(378,899)	-	(378,899)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and net amortization	2,447	-	2,447
Food Distribution Program	32,239	-	32,239
(Increase) decrease in accounts receivable, net	(17,141)	-	(17,141)
(Increase) decrease in inventories	(230)	-	(230)
Increase (decrease) in accounts payable	(19,221)	-	(19,221)
Total adjustments	<u>(1,906)</u>	<u>-</u>	<u>(1,906)</u>
Net cash provided by (used for) operating activities	<u>(380,805)</u>	<u>-</u>	<u>(380,805)</u>

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

Introduction to the Statistical Section

Financial Trends

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

Revenue Capacity

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

Debt Capacity

- J-10 Ratios of Outstanding Debt by Type
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- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

Demographic and Economic Information

- J-14 Demographic and Economic Statistics
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Operating Information

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

J SERIES

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	J-1 to J-5
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	J-6 to J-9
Debt Capacity 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.	J-10 to J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information 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.	J-16 to J-20
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

Guttenberg Board of Education
Net Position by Component
Last Ten Fiscal Years
Guttenberg Board of Education

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 2,199,143	\$ 2,336,568	\$ 3,761,335	\$ 8,877,172	\$ 17,357,797	\$ 25,027,092	26,663,442	26,494,678	25,906,672	25,647,262
Restricted	2,764,389	3,172,592	3,404,521	3,602,582	3,501,923	3,226,924	3,292,282	3,123,691	5,403,612	8,303,871
Unrestricted	(1,052,562)	(1,174,387)	(3,535,225)	(3,658,745)	(3,999,207)	(4,175,396)	(4,213,129)	(4,136,009)	(3,642,039)	(3,476,206)
Total governmental activities net position	\$ 3,910,970	\$ 4,334,773	\$ 3,630,631	\$ 8,821,009	\$ 16,860,513	\$ 24,078,620	\$ 25,742,595	\$ 25,482,360	\$ 27,668,245	\$ 30,474,927
Business-type activities										
Net investment in capital assets	\$ 59,720	\$ 16,156	\$ 16,156	\$ 58,450	\$ 58,961	\$ 31,634	41,452	37,707	34,747	32,300
Restricted	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055	32,055
Unrestricted	86,128	132,551	132,551	70,055	38,498	37,062	75,170	96,995	124,620	266,219
Total business-type activities net position	\$ 177,903	\$ 180,762	\$ 180,762	\$ 160,560	\$ 129,514	\$ 100,751	\$ 148,677	\$ 166,757	\$ 191,422	\$ 330,574
District-wide										
Net investment in capital assets	\$ 2,258,863	\$ 2,352,724	\$ 3,777,491	\$ 8,935,622	\$ 17,416,758	\$ 25,058,726	\$ 26,704,894	\$ 26,532,385	\$ 25,941,419	\$ 25,679,562
Restricted	2,796,444	3,204,647	3,436,576	3,634,637	3,533,978	3,258,979	3,324,337	3,155,746	5,435,667	8,335,926
Unrestricted	(966,434)	(1,041,836)	(3,402,674)	(3,588,690)	(3,960,709)	(4,138,334)	(4,137,959)	(4,039,014)	(3,517,419)	(3,209,987)
Total district net position	\$ 4,088,873	\$ 4,515,535	\$ 3,811,393	\$ 8,981,569	\$ 16,990,027	\$ 24,179,371	\$ 25,891,272	\$ 25,649,117	\$ 27,859,667	\$ 30,805,501

Source: CAFR Schedule A-1

Guttenberg Board of Education
Changes in Net Position, Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	\$ 4,639,636	\$ 4,844,899	\$ 5,365,573	\$ 5,398,563	\$ 5,248,694	\$ 4,905,189	\$ 5,612,540	\$ 5,846,606	\$ 5,390,160	\$ 5,331,404
Special education	695,252	674,274	730,823	761,361	806,906	1,176,342	1,503,573	1,321,154	781,428	628,445
Other special education	905,956	653,184	936,955	691,013	894,821	979,383	927,622	923,708	1,398,277	1,455,201
Other instruction	47,221	51,488	179,549	71,727	73,178	65,655	85,122	70,618	49,208	79,533
Support Services:										
Tuition	4,498,710	4,974,817	5,115,833	5,039,443	5,339,656	5,846,445	6,063,454	6,475,842	5,679,991	5,514,815
Health Services	1,879,036	2,457,964	2,255,474	2,496,387	2,375,964	2,523,399	2,777,214	2,456,327	3,036,060	3,790,732
Student & instruction related services	342,949	456,959	451,504	436,067	461,485	305,469	766,951	595,080	563,445	174,568
General administrative services	408,945	155,128	139,430	146,756	276,839	514,009	327,729	258,079	241,614	497,731
School administrative services	365,375	418,985	386,608	387,689	397,748	366,742	404,622	355,337	341,072	368,222
Business administrative services	133,214	123,858	129,376	134,825	141,314	139,557	146,199	168,501	173,848	53,591
Administrative Information Technology	816,015	876,366	823,904	889,641	883,228	916,960	1,249,596	1,197,318	999,333	1,397,768
Plant operations and maintenance	197,769	171,554	182,233	286,834	225,753	252,183	217,093	197,460	279,190	275,513
Business and other support services	995,799	1,117,086	2,299,526	3,170,724	4,701,242	5,136,687	2,683,829	3,137,967	4,485,095	4,564,455
Unallocated Benefits	-	-	-	-	-	-	44,465	-	-	77,101
Charter Schools	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Interest and other charges	40,444	26,944	13,444	208,550	179,259	431,989	757,450	819,324	848,397	7,594
Unallocated depreciation	158,990	224,737	229,134	208,550	179,259	431,989	757,450	819,324	848,397	900,750
Capital Outlay - nondepreciable	134,792	49,602	33,482	26,556	22,182,302	187,021	135,411	47,758	5,267	21,454
Total governmental activities expenses	\$ 16,260,103	\$ 17,277,845	\$ 19,272,848	\$ 20,146,136	\$ 22,182,302	\$ 23,930,959	\$ 23,896,772	\$ 24,057,699	\$ 24,439,339	\$ 25,205,158
Business-type activities:										
Food service	429,824	414,772	480,218	516,641	523,843	450,833	407,086	356,155	239,866	379,204
Child Care	-	-	-	-	-	-	-	-	-	-
Total business-type activities expense	\$ 429,824	\$ 414,772	\$ 480,218	\$ 516,641	\$ 523,843	\$ 450,833	\$ 407,086	\$ 356,155	\$ 239,866	\$ 379,204
Total district expenses	\$ 16,689,927	\$ 17,692,617	\$ 19,753,066	\$ 20,662,777	\$ 22,706,145	\$ 24,381,792	\$ 24,303,858	\$ 24,413,854	\$ 24,679,205	\$ 25,584,362

Guttenberg Board of Education
Changes in Net Position, Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental activities:										
Charges for services:										
Student activity revenue	1,362,151	1,228,254	1,162,137	1,238,800	1,206,158	1,416,220	1,539,464	1,334,731	1,466	31,031
Operating grants and contributions	-	-	-	-	-	-	-	-	1,958,306	3,558,150
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	\$ 1,362,151	\$ 1,228,254	\$ 1,162,137	\$ 1,238,800	\$ 1,206,158	\$ 1,416,220	\$ 1,539,464	\$ 1,334,731	\$ 1,972,992	\$ 3,589,181
Business-type activities:										
Charges for services:										
Food service	48,867	49,084	54,623	45,836	44,706	56,994	56,878	42,023	63	305
Child care	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	422,739	373,423	432,761	448,381	445,632	386,316	390,558	319,746	256,461	514,288
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	\$ 471,606	\$ 422,507	\$ 487,384	\$ 494,217	\$ 490,338	\$ 443,310	\$ 447,436	\$ 361,769	\$ 256,524	\$ 514,593
Total district program revenues	\$ 1,833,757	\$ 1,650,761	\$ 1,649,521	\$ 1,733,017	\$ 1,696,496	\$ 1,859,530	\$ 1,986,900	\$ 1,696,500	\$ 2,229,516	\$ 4,103,774
Net (Expense)/Revenue										
Governmental activities	\$ (14,897,952)	\$ (16,049,591)	\$ (18,110,711)	\$ (18,907,336)	\$ (20,976,144)	\$ (22,514,739)	\$ (22,357,308)	\$ (22,722,968)	\$ (22,466,347)	\$ (21,615,977)
Business-type activities	41,782	7,735	7,166	(22,424)	(33,505)	(7,523)	40,350	5,614	16,658	135,389
Total district-wide net expense	\$ (14,856,170)	\$ (16,041,856)	\$ (18,103,545)	\$ (18,929,760)	\$ (21,009,649)	\$ (22,522,262)	\$ (22,316,958)	\$ (22,717,354)	\$ (22,449,689)	\$ (21,480,588)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 10,254,523	\$ 10,459,613	\$ 10,668,805	\$ 10,882,182	\$ 11,099,825	\$ 11,099,825	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822	\$ 11,321,822
Taxes levied for debt service	230,165	256,003	243,377	229,841	-	-	-	-	-	-
Local share, Capital Projects Fund	-	-	1,036,546	3,903,246	7,076,902	4,610,288	1,448,830	-	-	-
Unrestricted grants and contributions	5,628,388	5,908,220	7,233,297	7,950,297	9,337,671	10,649,013	10,989,449	11,189,886	13,002,180	12,919,454
Restricted grants and contributions	-	-	365,174	1,095,521	1,460,695	730,348	182,387	-	230,766	9,135
Investment earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	36,402	125,013	232,635	36,627	40,555	66,682	78,595	69,701	58,616	172,248
Other Financing sources (uses)	(100,471)	(218,269)	-	-	-	-	-	(118,676)	-	-
Total governmental activities	\$ 16,049,007	\$ 16,530,580	\$ 19,779,834	\$ 24,097,714	\$ 29,015,648	\$ 27,156,156	\$ 24,021,283	\$ 22,462,733	\$ 24,613,384	\$ 24,422,659
Business-type activities:										
Other Financing sources (uses)	-	18,612	1,505	2,222	2,459	4,112	7,576	12,466	8,007	3,763
Total business-type activities	\$ 16,049,007	\$ 16,549,192	\$ 19,781,339	\$ 24,099,936	\$ 29,018,107	\$ 27,160,268	\$ 24,028,859	\$ 22,475,199	\$ 24,621,391	\$ 24,426,422
Change in Net Position										
Governmental activities	\$ 1,151,055	\$ 480,989	\$ 1,669,123	\$ 5,190,378	\$ 8,039,504	\$ 4,641,417	\$ 1,663,975	\$ (260,235)	\$ 2,147,037	\$ 2,806,682
Business-type activities	41,782	26,347	8,671	(20,202)	(31,046)	(3,411)	47,926	18,080	24,665	139,152
Total district	\$ 1,192,837	\$ 507,336	\$ 1,677,794	\$ 5,170,176	\$ 8,008,458	\$ 4,638,006	\$ 1,711,901	\$ (242,155)	\$ 2,171,702	\$ 2,945,834

Source: CAFR Schedule A-2

Exhibit J-3

Guttenberg Board of Education
Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund	2,567,075	3,015,474	3,148,264	3,438,046	3,347,121	2,674,046	2,429,347	2,891,232	5,188,130	8,034,321
Restricted	55,018	15,093	-	21,303	10,843	407,878	716,097	82,803	64,088	117,342
Committed	-	-	113,749	(116,945)	(78,566)	(144,101)	(293,597)	(320,756)	(52,862)	(153,216)
Assigned	(133,496)	(172,025)	(164,723)	(116,945)	(78,566)	(144,101)	(293,597)	(320,756)	(52,862)	(153,216)
Unassigned	(133,496)	(172,025)	(164,723)	(116,945)	(78,566)	(144,101)	(293,597)	(320,756)	(52,862)	(153,216)
Total general fund	\$ 2,488,597	\$ 2,858,542	\$ 3,097,290	\$ 3,342,404	\$ 3,279,398	\$ 2,937,823	\$ 2,851,847	\$ 2,653,279	\$ 5,199,356	\$ 7,998,447
All Other Governmental Funds										
Reserved										
Unreserved, reported in:										
Special revenue fund										
Capital projects fund										
Debt service fund	1									
Permanent fund										
Total all other governmental funds	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: CAFR Schedule B-1

Guttenberg Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Guttenberg Board of Education

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 10,484,688	\$ 10,715,616	\$ 10,912,182	\$ 11,112,023	\$ 11,099,825	\$ 11,099,825	11,321,822	11,321,822	11,321,822	11,321,822
Interest earnings										
Miscellaneous	35,734	125,013	232,635	36,627	40,555	66,682	78,595	69,701	58,616	39,186
Local Share			1,036,546	3,903,246	7,076,902	4,660,288	1,448,830	10,460,267	14,868	31,031
State sources	5,757,126	6,051,094	6,665,138	7,733,609	8,365,499	8,455,636	9,907,584	10,460,267	11,356,143	13,365,995
Federal sources	1,233,413	1,085,380	1,032,798	1,066,687	1,064,882	1,201,937	1,393,549	1,190,978	2,031,863	3,530,397
Total revenue	17,510,961	17,977,103	19,879,299	23,852,192	27,647,663	25,484,368	24,150,380	23,042,768	24,783,312	28,288,431
Expenditures										
Instruction										
Regular Instruction	4,659,724	4,864,941	5,385,615	5,418,605	5,268,736	4,925,074	5,229,766	5,946,516	5,403,194	6,063,984
Special education instruction	695,252	674,274	730,823	761,361	806,906	1,176,342	1,421,587	1,321,154	781,428	826,146
Other special instruction	905,956	653,184	936,955	691,013	894,821	979,383	824,723	923,708	1,398,277	1,680,905
Other instruction	47,221	51,488	179,549	71,727	73,178	65,655	79,069	70,618	49,208	92,563
Support Services:										
Tuition	4,498,710	4,974,817	5,115,833	5,039,443	5,339,656	5,846,445	6,063,454	6,475,842	5,679,991	5,514,815
Health Services					176,215	183,929	176,783	186,620	166,954	66,261
Student & instruction related services	1,879,036	2,457,964	2,255,474	2,496,387	2,375,964	2,512,758	2,631,763	2,444,897	3,036,060	4,098,462
General administrative services	342,949	456,959	451,504	436,067	461,485	514,009	736,643	595,080	563,445	558,469
School A administrative services	408,945	155,128	139,430	146,756	276,839	305,469	303,276	258,079	241,614	216,449
Business and other support services										
Central administrative services	365,375	418,985	386,608	387,689	397,748	366,742	370,150	355,337	341,072	470,238
Administrative Information Technology	133,214	123,858	129,376	134,825	141,314	139,557	134,640	168,501	173,848	53,591
Plant operations and maintenance	816,015	876,366	824,385	890,366	883,954	914,573	1,220,526	1,250,179	1,030,696	1,869,857
Pupil transportation	197,769	171,554	182,233	286,834	225,753	252,183	217,093	197,460	279,190	275,513
Unallocated employee benefits	98,802	110,521	108,164	132,909	150,984	146,311	143,341	120,823	125,955	141,029
Allocated Benefits										
On-behalf contributions	992,445	896,207	1,107,025	1,355,431	1,577,232	1,771,829	2,097,566	2,228,249	2,738,591	3,596,685
Special Schools										
Charter Schools										
Capital outlay	347,132	228,950	1,447,383	5,111,943	8,659,884	5,725,684	2,541,511	579,597	236,033	77,101
Debt service:										
Principal	200,000	240,000	240,000	239,000	-	-	-	-	-	-
Interest and other charges	46,069	33,694	20,194	6,722	-	-	-	-	-	-
Total expenditures	16,634,614	17,388,890	19,640,551	23,607,078	27,710,669	25,825,943	24,236,356	23,122,660	22,245,556	25,623,522
Excess (Deficiency) of revenues over (under) expenditures	876,347	588,213	238,748	245,114	(63,006)	(341,575)	(85,976)	(79,892)	2,537,756	2,664,909

Guttenberg Board of Education
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Guttenberg Board of Education

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing sources (uses)										
To fund prior year uncollectible receivables-										
On-behalf TPAF Reimbursed Social Security								(118,676)		
Insurance Recovery related to										
Impaired Capital Asset								(118,676)		133,062
Total other financing sources (uses)										133,062
Net change in fund balances	\$ 876,347	\$ 588,213	\$ 238,748	\$ 245,114	\$ (63,006)	\$ (341,575)	\$ (85,976)	\$ (198,568)	\$ 2,537,756	\$ 2,797,971
Debt service as a percentage of noncapital expenditures	1.5%	1.6%	1.4%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

NOTE: Capital Projects Fund is not included as these expenditures vary substantially from year to year. The financial data presented would not be as meaningful for comparative purposes if these were included.

Source: CAFR Schedule B-2

**Guttenberg Board of Education
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Guttenberg Board of Education**

Fiscal Year Ended June 30,	Interest on Investments	Close out of				P/Y Payables Cancelled/ Void Checks	Misc.	Total
		Tuition Refunds	Unemployment Trust Accounts	Refunds	Reimb - ursement			
2013	2,526	-		9,723		23,485	35,734	
2014		19,713	15,926	3,809	3,593	20,044	125,013	
2015	555	136,861		18,077	39,151	33,246	232,635	
2016	17,971	2,726		9,980		5,950	36,627	
2017	22,922			17,629		4	40,555	
2018	33,868			4,419		2,400	66,682	
2019	69,406			6,605		2,584	78,595	
2020	55,466			8,793	1,215	4,227	69,701	
2021	42,106			240		16,270	58,616	
2022	27,801			258		11,127	39,186	

Source: District Records

Guttenberg Board of Education
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Guttenberg Board of Education

Year Ended Dec. 31,	Vacant Land	Residential	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)	% of Net Assessed to Estimated Full Cash Valuations
2013	\$ 2,023,700	\$ 601,790,100		\$ 81,764,300	\$ 21,413,100	\$ 91,551,200	\$ 798,542,400	\$ 51,089,100	\$ 466,808	\$ 747,920,108	1.307	\$ 876,260,572	85.35%
2014	\$ 2,398,700	\$ 600,470,300		\$ 80,894,200	\$ 21,282,100	\$ 90,677,700	\$ 795,723,000	\$ 51,089,100	\$ 617,530	\$ 745,251,430	1.358	\$ 904,717,609	82.37%
2015	\$ 2,145,700	\$ 601,229,600		\$ 80,909,200	\$ 21,591,400	\$ 90,900,500	\$ 796,785,400	\$ 51,090,000	\$ 133,508	\$ 745,828,908	1.402	\$ 915,819,614	81.44%
2016	\$ 2,218,700	\$ 599,683,560		\$ 81,539,100	\$ 20,489,100	\$ 89,659,000	\$ 793,589,460	\$ 51,143,900	\$ 617,530	\$ 743,063,090	1.412	\$ 949,695,676	78.24%
2017	\$ 2,078,600	\$ 598,369,776		\$ 80,678,100	\$ 19,282,800	\$ 88,882,800	\$ 789,292,076	\$ 51,821,700	\$ 594,331	\$ 738,064,707	1.416	\$ 1,043,946,918	70.70%
2018	\$ 2,078,600	\$ 596,879,176		\$ 80,867,100	\$ 18,733,000	\$ 88,578,100	\$ 787,135,976	\$ 52,700,700	\$ 641,964	\$ 735,077,240	1.407	\$ 1,094,836,656	67.14%
2019	\$ 2,385,400	\$ 594,522,276		\$ 77,587,600	\$ 17,511,100	\$ 97,614,800	\$ 789,861,176	\$ 61,935,400	\$ 542,343	\$ 728,468,119	1.433	\$ 1,193,325,756	61.05%
2020	\$ 3,346,999	\$ 592,447,376		\$ 77,233,800	\$ 17,319,500	\$ 94,253,800	\$ 784,601,475	\$ 67,856,502	\$ 506,232	\$ 717,251,205	1.433	\$ 1,189,147,371	60.32%
2021	\$ 3,685,199	\$ 590,624,276		\$ 76,923,700	\$ 17,320,800	\$ 94,253,800	\$ 782,807,775	\$ 67,819,202	\$ 507,541	\$ 715,496,114	1.446	\$ 1,198,786,792	59.69%
2022	\$ 3,846,499	\$ 592,261,376		\$ 76,803,600	\$ 17,320,800	\$ 93,353,800	\$ 783,586,075	\$ 67,819,202	\$ 507,541	\$ 716,274,414	1.444	\$ 1,190,251,406	60.18%

Sources: Municipal Tax Assessor (Tax List District Summary - Table of Aggregates); Abstract of Rates

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.

* - Revaluation conducted

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

Guttenberg Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Guttenberg Board of Education

Fiscal Year Ended June 30,	Guttenberg Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Town of Guttenberg	Hudson County	REAP Deduction	
2013	1.285	0.022	1.307	1.561	0.615	0.000	3.483
2014	1.337	0.021	1.358	1.583	0.599	0.000	3.540
2015	1.382	0.020	1.402	1.607	0.611	0.000	3.620
2016	1.412	0.000	1.412	1.631	0.607	0.000	3.650
2017	1.416	0.000	1.416	1.667	0.592	0.000	3.675
2018	1.407	0.000	1.407	1.717	0.603	0.000	3.727
2019	1.433	0.000	1.433	1.799	0.598	0.000	3.830
2020	1.433	0.000	1.433	1.799	0.598	0.000	3.830
2021	1.446	0.000	1.446	1.847	0.589	0.000	3.882
2022	1.444	0.000	1.444	1.870	0.563	0.000	3.877

Source: District Records and Municipal Tax Collector (Tax Computation Summary)

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 calculation

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

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

Guttenberg Board of Education
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Guttenberg Board of Education

Fiscal Year Ended June 30,	Guttenberg Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Town of Guttenberg	Hudson County	REAP Deduction	
2013	1.285	0.022	1.307	1.561	0.615	0.000	3.483
2014	1.337	0.021	1.358	1.583	0.599	0.000	3.540
2015	1.382	0.020	1.402	1.607	0.611	0.000	3.620
2016	1.412	0.000	1.412	1.631	0.607	0.000	3.650
2017	1.416	0.000	1.416	1.667	0.592	0.000	3.675
2018	1.407	0.000	1.407	1.717	0.603	0.000	3.727
2019	1.433	0.000	1.433	1.799	0.598	0.000	3.830
2020	1.433	0.000	1.433	1.799	0.598	0.000	3.830
2021	1.446	0.000	1.446	1.847	0.589	0.000	3.882
2022	1.444	0.000	1.444	1.870	0.563	0.000	3.877

Source: District Records and Municipal Tax Collector (Tax Computation Summary)

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 calculation

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

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

Exhibit J-8

Guttenberg Board of Education
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Summit House	\$ 24,800,000	1	3.16%			
RM Holdings Guttenberg LLC	5,445,800	2	0.69%			
422-430 68th Street, LLC	4,840,000	3	0.62%			
6803 Boulevard East LLC	3,918,900	4	0.50%			
Polk Street Partners, LLC	2,700,000	5	0.34%			
AM 68th Street LLC	2,690,500	6	0.34%			
7014 Jackson Street	2,600,000	7	0.33%			
AL-2 Properties Corp.	2,138,600	8	0.27%			
Guttenberg Savings and Loan	2,077,600	9	0.27%			
63-67 69th St. Assoc. LLC	1,884,500	10	0.24%			
Summit House				\$25,400,000	1	3.24%
Palisades Operations LLC				5,445,800	2	0.69%
6803 Boulevard East LLC				4,068,900	3	0.52%
422-430 68th Street, LLC				2,690,500	4	0.34%
Guttenberg Savings and Loan				2,177,000	5	0.28%
6909 Blvd E. Inc.				2,138,600	6	0.27%
63-67 69th St. Assoc. LLC				1,884,500	7	0.24%
Lagattuta Partners, L.P.				1,614,400	8	0.21%
Hector, Miguel A.				1,560,000	9	0.20%
7000 Corp. NJ Corporation				1,543,200	10	0.20%
						0.00%
Total	\$ 53,095,900		6.78%	\$ 48,522,900		6.19%

Net Assessed Valuation: 783,586,075 747,920,108

Source: Municipal Tax Assessor (Principal Property Taxpayers List)

**Guttenberg Board of Education
Property Tax Levies and Collections
Last Ten Fiscal Years**

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	
2013	\$10,484,688	\$ 10,484,688	100.00%	
2014	\$10,715,616	\$ 10,715,616	100.00%	
2015	\$10,912,182	\$ 10,912,182	100.00%	
2016	\$11,112,023	\$ 10,186,021	91.67%	\$ 926,002
2017	\$11,099,825	\$ 11,099,825	100.00%	
2018	\$11,099,825	\$ 11,145,954	100.42%	\$ (46,129)
2019	\$11,321,822	\$ 11,321,822	100.00%	\$ -
2020	\$11,321,822	\$ 10,434,946	92.17%	\$ 886,876
2021	\$11,321,822	\$ 10,409,786	91.94%	\$ 912,036
2022	\$11,321,822	\$ 11,321,822	100.00%	\$ -

Source: Municipal Tax Collector (School's Anticipated Budget)

**Guttenberg Board of Education
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2013	871,774	-	-	-	-	871,774	0.15%	\$ 17.76
2014	611,732	-	-	-	-	611,732	0.10%	\$ 11.58
2015	351,690	-	-	-	-	351,690	0.05%	\$ 6.22
2016	92,648	-	-	-	-	92,648	0.01%	\$ 1.58
2017	72,606	-	-	-	-	72,606	0.01%	\$ 1.16
2018	52,721	-	-	-	-	52,721	0.01%	\$ 0.79
2019	32,836	-	-	-	-	32,836	0.00%	\$ 0.47
2020	13,034	-	-	-	-	13,034	Not Available	Not Available
2021	-	-	-	-	-	-	Not Available	Not Available
2022	-	-	-	-	-	-	Not Available	Not Available

Source: District CAFR 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

Exhibit J-11

**Guttenberg Board of Education
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	871,774	-	\$ 871,774	0.12%	\$ 17.76
2014	611,732	-	\$ 611,732	0.08%	\$ 11.58
2015	351,690	-	\$ 351,690	0.05%	\$ 6.22
2016	92,648	-	\$ 92,648	0.01%	\$ 1.58
2017	72,606	-	\$ 72,606	0.01%	\$ 1.16
2018	52,721	-	\$ 52,721	0.01%	\$ 0.79
2019	32,836	-	\$ 32,836	0.00%	\$ 0.47
2020	13,034	-	\$ 13,034	0.00%	Not Available
2021	0	-	\$ -	0.00%	Not Available
2022	0	-	\$ -	0.00%	Not Available

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

a See Exhibit J-6 for property tax data.

b Population data can be found in Exhibit J-13.

**Guttenberg Board of Education
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2022**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable^a</u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt of School District as of June 30, 2022			\$ -
Net overlapping debt of School District:			
Guttenberg Town	100.000%	\$ 26,441,723	
County of Hudson	1.146%	\$ 5,483,410	
Subtotal, overlapping debt		<u>\$ 31,925,133</u>	
Total direct and overlapping debt			<u><u>\$ 31,925,133</u></u>

Sources: Hudson County Treasurer's Office (2021 Abstract of Ratables, Annual Debt Stmt - County, Annual Debt Stmt - Town)

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 Guttenberg. 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.

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.

Guttenberg Board of Education
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis

2022	\$	1,190,251,406
2021	\$	1,198,786,792
2020		1,189,147,371

[A] \$ 3,578,185,569

Average equalized valuation of taxable property

[A/3] \$ 1,192,728,523

Debt limit (3 % of average equalization value)

[B] 35,781,856 ^a

Net bonded school debt

[C] -

Legal debt margin

[B-C] \$ 35,781,856

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 27,108,961	\$ 26,825,123	\$ 26,825,123	\$ 26,834,020	\$ 27,574,547	\$ 28,178,867	\$ 33,321,093	\$ 34,773,098	\$ 35,812,599	\$ 35,781,856
Total net debt applicable to limit	<u>719,000</u>	<u>479,000</u>	<u>239,000</u>							-
Legal debt margin	\$ 26,389,961	\$ 26,346,123	\$ 26,586,123	\$ 26,834,020	\$ 27,574,547	\$ 28,178,867	\$ 33,321,093	\$ 34,773,098	\$ 35,812,599	\$ 35,781,856
Total net debt applicable to the limit as a percentage of debt limit	2.65%	1.79%	0.89%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Rates and District Records CAFR Schedule J-7

^a Limit set by NISA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Guttenberg Board of Education
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ^a	Personal Income (thousands of dollars)	Per Capita		Unemployment Rate ^d
			Personal Income ^c		
2013	11,547	566,819,136	\$ 49,088.00		8.60%
2014	11,547	610,143,480	\$ 52,840.00		5.50%
2015	11,505	650,964,405	\$ 56,581.00		4.80%
2016	11,476	671,759,136	\$ 58,536.00		4.00%
2017	11,403	711,011,259	\$ 62,353.00		4.00%
2018	11,275	752,098,875	\$ 66,705.00		3.30%
2019	11,185	776,306,110	\$ 69,406.00		2.80%
2020	11,015	Not Available	Not Available		10.00%
2021	11,502	Not Available	Not Available		6.20%
2022	Not Available	Not Available	Not Available		Not Available

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income - Hudson County - provided by NJ Dept of Labor and Workforce Development
- ^c Per Capita Personal Income - Hudson County - provided by NJ Dept of Labor and Workforce Development
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

Exhibit J-15

**Guttenberg Board of Education
Principal Employers
Current Year and Nine Years Ago**

Employer	2021		2012		Percentage of Total Employment	Rank (Optional)	Percentage of Total Employment
	Employees	Percentage of Total Employment	Employees	Rank (Optional)			
	-	0.00%	-				0.00%

**THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED TO
RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO
PRIVACY CONCERNS.**

Source: Town of Guttenberg

**Guttenberg Board of Education
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

<u>Function/Program</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>2022</u>
Instruction										
Regular	59.0	59.0	59.0	59.0	62.0	57.0	63.0	59.0	60.0	68.0
Special education	10.0	12.0	12.0	12.0	12.0	11.0	11.0	11.0	12.0	13.0
Other special education						5.0	5.0	5.0	5.0	4.0
Vocational										
Other instruction	10.0	10.0	10.0	10.0	14.0	6.0	7.0	9.0	10.0	10.0
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services			18.0		23.5	23.0	23.0	24.0	29.0	30.0
General administrative services	3.0	3.0	6.0	6.0	2.0	3.0	3.0	3.0	3.0	3.0
School administrative services	4.0	4.0	4.0	4.0	3.0	2.0	2.0	2.0	2.0	2.0
Business administrative services	3.0	3.0	0.0	0.0	4.5	3.0	3.0	3.0	3.0	3.0
Plant operations and maintenance	6.0	6.0	6.0	6.0	7.0	3.5	3.0	3.0	3.0	4.0
Total	95.0	97.0	115.0	97.0	128.0	113.5	120.0	119.0	127.0	137.0

* Information Not Provided by District

Source: District Personnel Records

Guttenberg Board of Education
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Pupil/Teacher Ratio										Student Attendance Percentage	
	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c		% Change in Average Daily Enrollment
2013	1,010.0	16,041,413	15,883	#REF!	*	*	N/A	N/A	*	*	*	*
2014	1,024.0	16,886,246	16,490	3.82%	81	1:13	N/A	N/A	*	934	*	95.02%
2015	982.0	17,932,974	18,262	10.74%	81	1:12	N/A	N/A	983	956.98	2.49%	94.99%
2016	972.0	18,249,413	18,775	2.81%	91	1:12	N/A	N/A	1007	959.94	0.49%	94.87%
2017	1,015.0	19,050,785	18,769	-0.03%	98	1:10	N/A	N/A	1011.9	931.34	-2.82%	94.71%
2018	1,000.0	20,100,259	20,100	7.09%	102	1:10	N/A	N/A	983.39	912.39	-2.45%	95.11%
2019	991.0	21,694,845	21,892	8.91%	109	1:09	N/A	N/A	959.29	945.53	1.90%	96.73%
2020	982.0	22,543,063	22,956	4.86%	108	1:09	N/A	N/A	977.47	876.47	-6.74%	96.15%
2021	909.0	25,602,068	28,165	22.69%	116	1:08	N/A	N/A	911.56	876	2.68%	93.59%
2022	912.0	22,279,248	24,429	-13.26%	100	1:09	N/A	N/A	936			

Sources: District records, ASSA and Schedules J-12, J-14

* - Information not provided by District

a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4

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).

Guttenberg Board of Education
 School Building Information
 Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Buildings</u>										
<u>Elementary</u>										
Anna L. Klein School	90,487	90,487	90,487	90,487	90,487	138,002	138,002	138,002	138,002	138,002
Square Feet	872	872	872	872	872	1,326	1,326	1,326	1,326	1,326
Capacity (students)	1,010	1,024	982	982	982	1,000	991	982	909	909
Enrollment										

Number of Schools at June 30, 2021

Elementary = 1

Sources: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Guttenberg Board of Education
General Fund
Last Ten Fiscal Years
Unaudited

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

School Facilities	Project # (s)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Anna L. Klein School	N/A	264,159	158,925	619,295	259,241	326,059	137,814	167,380	111,447	178,316	137,270
Total School Facilities		<u>264,159</u>	<u>158,925</u>	<u>619,295</u>	<u>259,241</u>	<u>326,059</u>	<u>137,814</u>	<u>167,380</u>	<u>111,447</u>	<u>178,316</u>	<u>137,270</u>
Grand Total		<u>\$ 264,159</u>	<u>\$ 158,925</u>	<u>\$ 619,295</u>	<u>\$ 259,241</u>	<u>\$ 326,059</u>	<u>\$ 137,814</u>	<u>\$ 167,380</u>	<u>\$ 111,447</u>	<u>\$ 178,316</u>	<u>\$ 137,270</u>

Source: C-1

Note: GASB requires that ten years of statistical data be presented. However, since fiscal year 2003 was the first year of GASB 34 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**Guttenberg Board of Education
Insurance Schedule
June 30, 2022**

Type of Coverage	Coverage	Deductible
School Alliance Insurance Fund		
Workers' Compensation	\$ 5,000,000	
General and Automobile Liability	5,000,000/occurrence 100,000,000 aggregate	1,000
Employee Benefits	5,000,000/occurrence	
Excess General and Auto Liability	5,000,000/occurrence 5,000,000 aggregate	
Sexual Abuse and Molestation	10,000,000/occurrence 30,000,000 aggregate	
Property, Inland Marine	500,000,000/occurrence	5,000
Flood :		
Zones A or V	25,000,000/occurrence 50,000,000 aggregate	500,000
All Other Zones	10,000,000/occurrence 100,000,000 aggregate	
Boiler and Machinery	100,000,000/occurrence	5,000
Employee Dishonesty	500,000/loss	
Money and Securities	2,500,000	1,000
Environmental Impairment Liability	1,000,000/occurrence 25,000,000 aggregate	10,000
Critical Incident Management	25,000	
School Leaders Professional Liability	5,000,000/claim/aggregate	5,000
Excess School Leaders' Professional Liability	5,000,000/claim/aggregate	
QBE Insurance Corp		
Accidental Death and Dismemberment	500,000 aggregate	
Loss of Life		
Loss of Two or More Hands or Feet	50,000	
Loss of Sight of Both Eyes	50,000	
Loss of One Hand or Foot and Sight in One Eye	50,000	
Loss of Speech and Hearing	50,000	
Loss of One Hand or Foot	25,000	
Loss of Sight in One Eye	25,000	
Loss of Speech	25,000	
Loss of Hearing in Both Ears	25,000	
Loss of Thumb and Index Finger on the Same Hand	12,500	
Accident Medical Excess Benefit	25,000	
US Fire Insurance Company		
Excess Medical	5,000,000	25,000

Sources:

Insurance Declaration Pages

SINGLE AUDIT SECTION



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

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

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Town of Guttenberg School District, in the County of Hudson, New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated February 13, 2023.

Internal Control Over Financial Reporting

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



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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Guttenberg Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Town of Guttenberg School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated February 13, 2023.

Purpose of this Report

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

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 13, 2023





WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
PAUL J. CUVA, CPA, RMA, PSA
JAMES J. CERULLO, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-7900
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE AND N.J. OMB CIRCULAR 15-08

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Town of Guttenberg School District in the County of Hudson, New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Town of Guttenberg Board of Education’s major federal and state programs for the year ended June 30, 2022. The Town of Guttenberg Board of Education’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Guttenberg 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 federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and N.J. OMB Circular 15-08. Our



responsibilities under those standards and the Uniform Guidance and N.J. OMB Circular 15-08 are described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Guttenberg Board of Education and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Town of Guttenberg Board of Education's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Guttenberg Board of Education's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about, the Town of Guttenberg Board of Education's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and N.J. OMB Circular 15-08, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Guttenberg Board of Education's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- Obtain an understanding of the Town of Guttenberg Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Town of Guttenberg Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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



Honorable President and
Members of the Board of Education

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

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

February 13, 2023

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Deobligated/ Adjustments	(Accounts Receivable) at June 30, 2022	Deferred Revenue at June 30, 2022	Due to Grantor at June 30, 2022
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Enterprise Fund:												
10.550	21INJ304NI096		7/1/21-6/30/22	\$ 32,239			32,239	32,239				
10.555	20INJ304NI099		7/1/20-6/30/21	120,219	(13,349)		13,349					
10.555	21INJ304NI099		7/1/21-6/30/22	379,422			342,580	379,422		(56,842)		
10.555	21INJ304NI099		7/1/20-6/30/21	39,650	(39,650)		39,650					
10.553	20INJ304NI099		7/1/20-6/30/21	75,470	(8,380)		8,380			(11,650)		
10.553	21INJ304NI099		7/1/21-6/30/22	92,352			80,702	92,352				
10.555	21INJ304NI099	N/A	3/1/22-9/30/23	24,720						(24,720)	24,720	
10.649	202225900941	N/A	7/1/20-6/30/21	614	(614)		614					
10.649	202225900941	N/A	7/1/21-6/30/22	628			628	628				
					(61,993)		517,514	504,641		(73,212)	24,720	
U.S. Department of Health and Human Services												
General Fund:												
93.778	2005NJ5MAP		7/1/21-6/30/22	2,470			2,470	2,470				
93.778	2005NJ5MAP		7/1/21-6/30/22	11,226			11,226	11,226				
							13,696	13,696				
U.S. Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
84.010A	S010A200030	ESEA185020	7/1/20-9/30/21	811,982	(335,706)	335,706	703,545	845,404		(477,664)		99
84.010A	S010A210030	ESEA185021	7/1/21-9/30/22	757,033		(335,706)						
84.010A	S010A200030	ESEA185020	7/1/20-9/30/21	26,419	(10,500)		10,500					
84.367	S367A200029	ESEA185020	7/1/20-9/30/21	100,270	(32,513)	32,513						
84.367	S367A210029	ESEA185021	7/1/21-9/30/22	77,347		(32,513)		100,142		(48,974)		
84.365	S365A200030	ESEA185020	7/1/20-9/30/21	38,157								
84.365	S365A210030	ESEA185021	7/1/21-9/30/22	36,758			26,244	28,390	10	(2,156)		
84.365	S365A200030	ESEA185020	7/1/20-9/30/21	10,887	(500)	500						
84.365	S365A210030	ESEA185021	7/1/21-9/30/22	11,757		(500)	6,502	11,709		(5,707)		
84.424	S424A200031	ESEA185020	7/1/20-9/30/21	52,074	(26,616)	26,616						
84.424	S424A210031	ESEA185021	7/1/21-9/30/22	59,269		(26,616)	50,669	31,341		(7,288)		
84.027A	H027A200100	IDEA185020	7/1/20-9/30/21	234,930	(22,864)	22,864						
84.027A	H027A210100	IDEA185021	7/1/21-9/30/22	233,435		(22,864)	237,658	240,114		(25,320)		
84.173	H173A200114	IDEA185020	7/1/20-9/30/21	9,281	(9,386)	9,386						
84.173	H173A210114	IDEA185021	7/1/21-9/30/22	9,406		(9,386)	16,074	9,478	(8)	(2,782)		
84.425D	S425D200027		3/13/20-9/30/22	651,041	(41,765)		130,369	98,021		(9,417)		
84.425D	S425D210027		3/13/20-9/30/23	2,877,299			1,182,279	1,785,650		(603,371)		

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Schedule of Expenditures of Federal Awards

Year ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Deobligated/ Adjustments	(Accounts Receivable) at June 30, 2022	Deferred Revenue at June 30, 2022	Due to Grantor at June 30, 2022
American Rescue Plan:													
ARP - ESSER III	84-425U	S425U210027		3/13/20-9/30/24	5,981,545			160,729	259,506		(98,777)		
ARP - Accelerated Learning Coach and Educator Support	84-425U	S425U210027		3/13/20-9/30/24	148,281			6,661	6,661				
ARP - Evidence Based Summer Learning and Enrichment	84-425U	S425U210027		3/13/20-9/30/24	40,000						(474)		
ARP - Evidence Based Comprehensive Beyond the School Day	84-425U	S425U210027		3/13/20-9/30/24	40,000			8,239	8,713		(6,197)		
ARP - NJTSS Mental Health Support Staffing	84-425U	S425U210027		3/13/20-9/30/24	45,000			27,000	33,197		(212)		
ARP - Homeless Children & Youth II	84-425W	215064233E		4/23/21-9/30/24	16,260				212				
ARP - L.D.E.A. Part B	84-027X	H027X210100		7/1/21-9/30/22	52,649			35,181	52,649		(17,468)		
ARP - L.D.E.A. Part B Preschool	84-173X	H173X210114		7/1/21-9/30/22	4,461			4,332	4,397		(65)		
Total U.S. Department of Education						(479,850)		2,689,663	3,515,584	2	(1,305,872)		99
U.S. Department of the Treasury													
Passed through State Department of Education													
Special Revenue Fund													
COVID Relief Fund - Reopening Schools	21-019	SLT0007		3/1/20-12/31/21	160,023	5,515			5,515				
Total U.S. Department of the Treasury						5,515			5,515				
Total Federal Financial Assistance						(536,328)		3,220,873	4,039,436	2	(1,379,084)	24,720	99

See accompanying notes to schedules of federal and state awards.

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Schedule of Expenditures of State Awards

Year ended June 30, 2022

State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance June 30, 2021		Balance at June 30, 2022			MEMO			
				Deferred Revenue (Accounts Receivable)	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	(Accounts Receivable)		Deferred Revenue	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:												
General Fund:												
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	7,946,403 \$			5,936,742	7,946,403			*	(769,942)	7,946,403
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	1,189,648			1,075,360	1,189,648			*	(115,267)	1,189,648
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	60,778			54,939	60,778			*	(5,889)	60,778
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	603,184			545,237	603,184			*	(58,444)	603,184
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	64,368			64,368				*		64,368
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	59,230				59,230	(59,230)		*		59,230
Reimbursed TPAF Social Security	21-495-034-5094-003	7/1/20-6/30/21	504,876			24,650				*		504,876
Reimbursed TPAF Social Security	22-495-034-5094-003	7/1/21-6/30/22	517,961			443,241	517,961	(74,720)		*		517,961
On Behalf TPAF Pension - Post Retirement	22-495-034-5094-001	7/1/21-6/30/22	582,773			582,773	582,773			*		582,773
On Behalf TPAF NCGI Premiums	22-495-034-5094-004	7/1/21-6/30/22	34,702			34,702	34,702			*		34,702
On Behalf LTDI	22-495-034-5094-002	7/1/21-6/30/22	1,637			1,637	1,637			*		1,637
On Behalf TPAF Pension - Contribution	22-495-034-5094-002	7/1/21-6/30/22	2,459,612			2,459,612	2,459,612			*		2,459,612
Total General Fund			2,459,612	(89,018)		11,223,261	13,455,928	(133,950)		*	(949,542)	14,025,172
Special Revenue Fund:												
SDA Emergent & Capital Maintenance Needs	22-495-034-5120-128	7/1/21-6/30/22	20,824			20,824	20,824			*		20,824
Preschool Education Aid	21-495-034-5120-086	7/1/20-6/30/21	166,158	4,483	(4,483)					*		
Preschool Education Aid	22-495-034-5120-086	7/1/21-6/30/22	59,634	4,483	4,483	53,671	25,362		32,792	*	(5,963)	25,362
Total Special Revenue Fund			244,616	8,966		74,495	46,186		32,792	*	(5,963)	46,186
Capital Projects Fund:												
Schools Development Authority Construction Grant: Additions/Alterations to the Anna L. Klein School	G5-3814	1850-050-09-0ZZW	3,651,737			182,587				*		3,651,737
Anna L. Klein School										*		

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Schedule of Expenditures of State Awards

Year ended June 30, 2022

State Grantor/Program Title	Grant or State Project Numbers	Grant Period	Program or Award Amount	Balance June 30, 2021			Balance at June 30, 2022			MEMO		
				Deferred Revenue (Accounts Receivable)	Carryover/ (Walkover) Amount	Cash Received	(Accounts Receivable)	Deferred Revenue	Budgetary Expenditures	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Agriculture Enterprise Fund:												
State Share:												
National School Lunch Program	21-100-010-3350-023	7/1/20-6/30/21	5,818	(945)	945	945						5,818
National School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	9,018	(945)	8,170	9,018	(848)					9,018
				(945)	9,115	9,018	(848)					14,836
Total State Financial Assistance			\$	(268,067)	11,489,458	13,511,132	(134,798)	32,792	(955,505)	17,737,931		

Less: On-Behalf TPAF Pension System Contributions

TPAF - Post Retirement Medical Contribution	7/1/21-6/30/22	582,773
TPAF - Long Term Disability Insurance	7/1/21-6/30/22	1,637
TPAF - Non-contributory Insurance	7/1/21-6/30/22	34,702
TPAF - Pension Contribution	7/1/21-6/30/22	2,459,612
		<u>3,078,724</u>
Total for State Financial Assistance - Major Program Determination		<u>10,432,408</u>

See accompanying notes to schedules of expenditures for federal and state awards.

NOTE 1. GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Town of Guttenberg School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(D) and 1(E) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of *2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and the 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:22-44.2.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(140,517) for the general fund and \$-0- for the special revenue fund. See Notes to Required Supplemental Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$13,696	\$13,315,411	\$13,329,107
Special Revenue Fund	3,521,099	46,186	3,567,285
Food Service Fund	<u>504,641</u>	<u>9,018</u>	<u>513,659</u>
Total Awards and Financial Assistance	<u>\$4,039,436</u>	<u>\$13,370,615</u>	<u>\$17,410,051</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the U.S.D.A. Commodities 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, 2022. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$3,078,724 of on-behalf payments is excluded from major program determination.

NOTE 7. INDIRECT COST RATE

The Town of Guttenberg School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 8. SCHOOLWIDE PROGRAM FUNDS

Schoolwide programs are not separate federal programs as defined in *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Grant Guidance); amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards. The following funds by program are included in schoolwide programs in the school district:

<u>Program</u>	<u>Total</u>
Title I, Part A: <i>Grants to Local Educational Agencies</i>	\$845,404
Title II, Part A: <i>Improving Teacher Quality State Grants</i>	100,142
Title III: <i>English Language Acquisition State Grants</i>	28,390
Title III: <i>Immigrant</i>	11,790
Title IV: <i>Student Support and Academic Enrichment Grants</i>	<u>31,341</u>
Total	<u>\$1,017,067</u>

**TOWN OF GUTTENBERG SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

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

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

Federal Awards

Internal Control over major programs:

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

2. Significant deficiencies identified that are not considered to be material weaknesses? _____ yes _____ X no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of the Uniform Guidance? _____ yes _____ X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FEIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010 (A)	S010A190030	Title I: Improvement Basic Programs
84.425 D/U/W (A)	S425D200027	Coronavirus Response and Relief Supplemental Act

(A) Tested as a major Type A Program
(B) Tested as a major Type B Program

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

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

**TOWN OF GUTTENBERG BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(continued)**

Section II – Financial Statement Findings

NONE

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

STATE AWARDS

NONE

FEDERAL AWARDS

NONE

**TOWN OF GUTTENBERG BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(continued)**

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

STATUS OF PRIOR YEAR FINDINGS

This section identifies the status of prior year audit findings related to the general purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (Section .315 (a)(b)) and New Jersey OMB's Circular 15-08, as amended.

Finding 2021-001: There were instances in which not all the District's Title 1 funded personnel prepared detailed time and activity reports in a manner consistent with the requirements of 2 C.F.R. Appendix A, Part 225 (formerly *OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments*), *Illustrative Time and Activity Report for Title 1 Instructional Staff*.

Corrective Action: The Guttenberg Board of Education should implement policies and procedures to ensure that Title 1 funded personnel prepare time and activity reports in accordance with 2 C.F.R. Appendix A, Part 225 (formerly *OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments*), *Illustrative Time and Activity Report for Title 1 Instructional Staff*.

Status: Resolved