

SCHOOL DISTRICT

OF

OXFORD TOWNSHIP

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

Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2022

Annual Comprehensive

Financial Report

of the

Oxford Township School District

Board of Education

Oxford, New Jersey

For the Fiscal Year Ending June 30, 2022

Prepared by

Oxford Township School District

Board of Education

Finance Department

OUTLINE OF ACFR

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	1
Organizational Chart	2
Roster of Officials	3
Consultants and Advisors	4

FINANCIAL SECTION

Independent Auditor's Report	7-9
Required Supplementary Information – Part I Management's Discussion and Analysis	11-18
Basic Financial Statements	
A. District-Wide Financial Statements:	
A-1 Statement of Net Position	21
A-2 Statement of Activities	22
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	24
B-2 Statement of Revenues, Expenditures and Changes in Fund Balance	25
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Proprietary Funds:	
B-4 Statement of Net Position	27
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	28
B-6 Statement of Cash Flows	29
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements	31-63
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	66-74
C1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	N/A
C-1b Community Block Development Grant (CDBG) – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	75
Notes to Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	76

OUTLINE OF ACFR

Required Supplementary Information – Part III	<u>Page</u>
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1/L-3 Schedule of the District's Proportionate Share of the Net Pension Liability	77
L-2 Schedule of District Contributions	78
M. Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of Changes in the State's Total OPEB Liability and Related Ratios (TPAF and PERS)	79
 Notes to Required Supplementary Information - Part III	 80
 Other Supplementary Information	
D. School Level Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund – Budgetary Basis	83
E-2 Schedule(s) of Preschool Education Aid Expenditures – Preschool-All Programs- Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	N/A
F-2 Summary Schedule of Revenues and Expenditures	N/A
F-2a Summary Schedule of Revenues and Expenditures-Project Detail	N/A
G. Proprietary Funds	
Enterprise Fund:	
G-1 Combining Statement of Net Position	See B-4
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	See B-5
G-3 Combining Statement of Cash Flows	See B-6
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A

OUTLINE OF ACFR

Other Supplementary Information-(Continued)

	<u>Page</u>
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	88
I-2 Schedule of Obligations Under Capital Leases	89
I-3 Budgetary Comparison Schedule Debt Service Fund	90

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1 Net Position by Component	92
J-2 Changes in Net Position	93-94
J-3 Fund Balances - Governmental Funds	95
J-4 Changes in Fund Balances - Governmental Funds	96
J-5 General Fund Other Local Revenue by Source	97

Revenue Capacity

J-6 Assessed Value and Estimated Actual Value of Taxable Property	98
J-7 Direct and Overlapping Property Tax Rates	99
J-8 Principal Property Taxpayers	100
J-9 Property Tax Levies and Collections	101

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	102
J-11 Ratios of General Bonded Debt Outstanding	103
J-12 Direct and Overlapping Governmental Activities Debt	104
J-13 Legal Debt Margin Information	105

Demographic and Economic Information

J-14 Demographic and Economic Statistics	106
J-15 Principal Employers	107

Operating Information

J-16 Full-time Equivalent District Employees by Function/Program	108
J-17 Operating Statistics	109
J-18 School Building Information	110
J-19 Schedule of Required Maintenance Expenditures by School Facility	111
J-20 Insurance Schedule	112

OUTLINE OF ACFR

SINGLE AUDIT SECTION

	<u>Page</u>
K-1 Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	114-115
K-2 Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by New Jersey OMB's Circular 15-08	116-118
K-3 Schedule of Expenditures of Federal Awards, Schedule A	119
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	120
K-5 Notes to the Schedules of Awards and Financial Assistance	121-122
K-6 Schedule of Findings and Questioned Costs	123-125
K-7 Summary Schedule of Prior Audit Findings	126

Introductory Section

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

Robert J. Magnuson
Chief School Administrator

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

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

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Action of 1996 and the U.S. Office of Management and Budget Uniform Guidance, "Audits of State and Local Governments", and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The district provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular as well as special education for students with special needs. Students in grades 9-12 are enrolled at Warren Hills Regional High School or the Warren County Technical School on a tuition basis. The district *completed* the 2020-2022 school year with the following enrollment of 260:

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

Fiscal Year	Student Enrollment	% Change Inc/(Dec)
2011 – 2012	286.0	4.00%
2012 – 2013	305.4	6.78%
2013 - 2014	313.0	2.49%
2014 - 2015	308.1	(1.56%)
2015 - 2016	309.9	0.58%
2016 - 2017	292.2	(5.71%)
2017 - 2018	276.4	(5.41%)
2018 - 2019	273.3	(1.45%)
2019 – 2020	270.0	(1.20%)
2020 - 2021	260.0	(3.7%)
2021 - 2022	260.0	(3.7%)

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

III. MAJOR INITIATIVES: The Oxford Township School District is a small, rural district whose educational goals are to offer each child the opportunity to achieve his/her greatest potential. The district communicates high expectations, reviews and incorporates appropriate school reform strategies (i.e. cooperative education, use of standards developed for each academic discipline and thematic instruction). Technology plays an ever-increasing role in student instruction as well. It is the intent of the district to offer all students an appropriate educational experience within the regular school program. Students enter high school with the necessary skills to be successful and to plan

for post high school opportunities in our global society. The Oxford Township School District completed a major school renovation and construction project in 2003 which has enabled it to provide expanded educational opportunities for its students. The District completed a major roof replacement and interior renovation project that received voter approval in December 2008. The District replaced a portion of the HVAC system during 2020 through the NJ Direct Install program which paid a large portion of this expense.

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

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriation of fund balances in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2022.

VI. ACCOUNTING SYSTEM AND REPORTS: The district's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the

district is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements”, Note 1.

VII. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the district continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund for the fiscal year ended June 30, 2022, and the amount and percentage of increases or decreases in relation to prior year revenues.

Revenue Source	Amount	% of Total	Inc/(Dec)	% of Inc/(Dec)
Local	\$4,520,409	50.62%	\$ (9,513)	-0.21%
State of N.J.	3,992,595	44.71	111,843	2.28%
Federal	417,186	4.67%	241,581	137.57%
TOTAL	\$8,930,190	100.00%	\$ 343,911	4.01%

Local sources decreased due to a slight decrease in miscellaneous non-budgeted revenues. Federal Sources increased primarily due COVID-19 related grants. State aid remained flat when compared with the prior year, with increases coming from extraordinary aid.

The following schedule presents a summary of general fund special revenue fund expenditures for the fiscal year ended June 30, 2022 and the increase/decrease in relation to prior year amounts.

Expenditures	Amount	% of Total	Incr/(Decr)	% of Inc/(Decr)
<i>Current:</i>				
Instruction	\$3,137,981	37.00%	\$(57,136)	-1.79%
Undistributed	4,436,227	52.30%	(118,227)	-2.60%
Subtotal Current	7,574,208	89.30%	(175,363)	-2.26%
<i>Charter School</i>	17,865	0.21%	5,852	48.71%
<i>Capital Outlay</i>	132,767	1.57%	(52,353)	-28.28%

<i>Special Revenue</i>	473,070	5.58%	295,254	166.04%
<i>Debt Service</i>	283,812	3.35%	4,174	1.49%
Grand Total	\$8,481,722	100.00%	\$77,564	0.92%

Expenses shifted from instruction to undistributed primarily due to increased employee benefit costs. Charter school expenses increased due to a change from one student to two. Capital projects decreased due to replacing a portion of the HVAC system in 2021. Debt Service payments increased slightly due to higher principal payments on the existing bond.

VIII. DEBT ADMINISTRATION: The district’s primary long-term debt was refunded in December 2006, saving the district over \$200,000 in interest over the life of the loan. This debt was refinanced again in November 2016, with the issuance of \$3,655,000 of debt at a lower interest rate to save approximately \$535,000 over the life of the loan. This debt service is detailed in “Notes to the Financial Statements”, Note 7. Additionally, the 2008 referendum project was bonded June 1, 2011 in the amount of \$895,000, and was paid several years ago. The balance of the bonds payable are \$2,730,000 as of June 30, 2022.

IX. CASH MANAGEMENT: The investment policy of the district is guided in large part by the state statute as detailed in “Notes to the Financial Statements”, Note 2. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

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

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

Respectfully submitted,

Robert J. Magnuson

Robert J. Magnuson
Chief School Administrator

Nancy A. DeRiso

Nancy A. DeRiso
School Business Administrator

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

BOARD OF EDUCATION

CHIEF SCHOOL ADMINISTRATOR

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

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

**FACULTY, STAFF
AND
CONSULTANTS**

STUDENTS

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 30, 2022

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

Other Officials

Robert Magnuson, *Chief School Administrator*

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

Michael Selvaggi, Esquire, *Solicitor*

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

AUDIT FIRM

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

ATTORNEY

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

BOND COUNSEL

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

OFFICIAL DEPOSITORIES

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

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

Financial Section

Independent Auditor's Report



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education, as of and for the year ended June 30, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education, 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 Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Oxford Township School District Board of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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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 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and ***Government Auditing Standards***, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oxford Township School District Board of Education's basic financial statements. The combining and individual non-

-Continued-

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

January 20, 2023

Anthony Ardito

Anthony Ardito

Certified Public Accountant

ARDITO & COMPANY LLC

Frenchtown, New Jersey

January 20, 2023

Required Supplementary Information - Part I

Management's Discussion and Analysis

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

The discussion and analysis of Oxford Township School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- ◆ In total, Net Position increased \$842,344 which represents a 24.0% increase from 2021.
- ◆ General revenues accounted for \$4,434,433 in revenue or 47.7% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$4,855,454 or 52.3% of total revenues of \$9,289,887.
- ◆ Total assets of governmental activities increased by \$1,095,789, as cash and cash equivalents increased by \$523,491, receivables increased by \$600,415, and capital assets decreased by \$31,464.
- ◆ The School District had \$8,447,543 in expenses; only \$4,855,454 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$4,434,433 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$8,171,403 in revenues and \$7,724,840 in expenditures. The General Fund's surplus balance increased \$446,563 over 2021, which compares favorably to the budgeted decrease of \$421,999.

Using this Generally Accepted Accounting Principals Report (GAAP)

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2022?” The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental activities--All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type Activity--This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Governmental Funds

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

The School District as a Whole

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

Table 1 provides a summary of the School District’s Net Position for 2022 compared to 2021.

**Table 1
Net Position**

	<u>2022</u>	<u>2021</u>
Assets		
Current and Other Assets	\$ 2,804,337	\$ 1,677,084
Capital Assets	<u>6,537,476</u>	<u>6,568,940</u>
Total Assets	<u>9,341,813</u>	<u>8,246,024</u>
 Deferred Outflows of Resources	 <u>132,459</u>	 <u>263,718</u>
 Liabilities		
Long-Term Liabilities	3,557,267	4,254,783
Other Liabilities	<u>870,259</u>	<u>221,947</u>
Total Liabilities	<u>4,427,526</u>	<u>4,476,730</u>
 Deferred Inflows of Resources	 <u>695,442</u>	 <u>524,052</u>
 Net Position		
Invested in Capital Assets, Net of Debt	3,807,476	3,638,940
Restricted	1,799,777	1,428,976
Unrestricted	<u>(1,255,949)</u>	<u>(1,558,956)</u>
Total Net Position	<u>\$ 4,351,304</u>	<u>\$ 3,508,960</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Total assets of governmental activities increased by \$1,095,789, as cash and cash equivalents increased by \$523,491, receivables increased by \$600,415, and capital assets decreased by \$31,464.

The cash increase was mainly due to increases in extraordinary aid revenue and under spending of the operating budget. The increase in receivables was due to federal covid grant spending reimbursed in the subsequent year. The decrease in capital assets was due to depreciation expense for the year.

Table 2 shows the changes in Net Position from fiscal year 2021.

Table 2
Changes in Net Position

	<u>2022</u>	<u>2021</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 86,386	\$ 204,154
Operating Grants and Contributions	4,769,068	5,039,712
General Revenues:		
Property Taxes	4,418,838	4,318,864
Federal & State Aid on Capital Asset Projects	-	-
Investment Earnings	928	238
Other	<u>14,667</u>	<u>6,902</u>
Total Revenues	<u>9,289,887</u>	<u>9,569,870</u>
 Program Expenses		
Instruction	4,451,574	4,903,455
Support Services:		
Tuition	1,750,202	2,101,735
Pupils and Instructional Staff	823,879	770,640
General Administration, School Administration, Business	509,618	543,890
Operations and Maintenance of Facilities	412,290	453,978
Pupil Transportation	227,394	225,809
Business-Type Activities	133,317	74,361
Interest and Fiscal Charges	<u>139,269</u>	<u>145,233</u>
Total Expenses	<u>8,447,543</u>	<u>9,219,101</u>
 Increase in Net Position	 <u>\$ 842,344</u>	 <u>\$ 350,769</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 47.6% percent of revenues for governmental activities for the Oxford Township School District for the fiscal year 2022.

Instruction comprises 52.7% of district expenses. Support services expenses make up 44.1% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2021. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>
Instruction	\$ 4,451,574	\$ 1,825,091	\$4,903,455	\$1,965,551
Support Services:				
Tuition	1,750,202	859,647	2,101,735	986,375
Pupils and Instructional Staff	823,879	239,060	770,640	323,783
General Admin., School Admin., Business	509,618	250,310	543,890	255,256
Operation and Maintenance of Facilities	412,290	202,505	453,978	213,059
Pupil Transportation	227,394	111,689	225,809	105,976
Business-Type Activities	133,317	(35,482)	74,361	(19,998)
Interest and Fiscal Charges	<u>139,269</u>	<u>139,269</u>	<u>145,233</u>	<u>145,233</u>
Total Expenses	<u>\$ 8,447,543</u>	<u>\$ 3,592,089</u>	<u>\$ 9,219,101</u>	<u>\$ 3,975,235</u>

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

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

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

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

The dependence upon tax revenues is apparent. Over 41.0% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 44.7%. The community, as a whole, is the primary support for the Oxford Township School District.

The School District's Funds

Information about the School District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$8,930,190 and expenditures of \$8,481,722. The General Fund's surplus balance increased \$446,563 over 2021, which compares favorably to the budgeted decrease of \$421,999.

General Fund Budgeting Highlights

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

During the course of the fiscal 2022 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$6,943,965, \$80,975 over original budgeted estimates of \$6,862,990. This difference was due primarily to extraordinary aid.

General fund revenues exceeded expenditures by \$426,823. Again this surplus compares to a budgeted deficit of \$421,999, which was due to the budgeted use of surplus, maintenance, capital and emergency reserves and tuition reserve needed to balance the 2022 budget.

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

Overall general fund balance (budget basis) was \$2,112,675, and amounts ear-marked and reserved for future purposes were \$1,765,455, creating a surplus in unreserved fund balance of \$347,220. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

Capital Assets

At the end of the fiscal year 2022, the School District had \$6,529,717 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2022 balances compared to 2021.

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

	<u>2022</u>	<u>2021</u>
Land	\$ 550	\$ 550
Land Improvements	-	-
Buildings and Improvements	6,414,518	6,439,142
Machinery and Equipment	<u>114,649</u>	<u>129,248</u>
 Totals	 <u>\$ 6,529,717</u>	 <u>\$ 6,568,940</u>

Overall capital assets decreased \$39,223 from fiscal year 2021 to fiscal year 2022. The decrease in capital assets was due to depreciation expense for the year.

Capital improvements of \$202,797 were purchased during fiscal year 2022 and included the clean energy project, HVAC upgrades, and the patio improvement.

Debt Administration

At June 30, 2022, the School District had \$2,931,407 as outstanding long term debt. Of this amount, \$201,407 is for compensated absences and \$2,730,000 is for bonds payable outstanding.

At June 30, 2022, the School District's overall legal debt margin was \$2,985,352 and the unvoted debt margin was the same.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
UNAUDITED

For the Future

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

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

Contacting the School District's Financial Management

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

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2022

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,959,297	\$ 52,276	\$ 2,011,573
Receivables from Other Governments	764,101	6,913	771,014
Accounts Receivable, Net	15,970		15,970
Interfund Receivables		-	
Inventory		5,780	5,780
Capital Assets, Net (Note 6):	6,529,717	7,759	6,537,476
Total Assets	9,269,085	72,728	9,341,813
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	132,459		132,459
LIABILITIES			
Accounts Payable	103,223		103,223
Payroll Deductions and Withholdings Payable	26,720		26,720
Unemployment Claims Payable	4,839		4,839
Interfund Payable	-		
Unearned Revenue	697,656	1,194	698,850
Accrued Interest	36,627		36,627
Net Pension Liability (Note 8)	625,860		625,860
Noncurrent Liabilities (Note 7):			
Due Within One Year	205,000		205,000
Due Beyond One Year	2,726,407		2,726,407
Total Liabilities	4,426,332	1,194	4,427,526
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	695,442		695,442
Net Position			
Invested in Capital Assets, Net of Related Debt	3,799,717	7,759	3,807,476
Restricted for:			
Other Purposes	1,799,777		1,799,777
Unrestricted	(1,319,724)	63,775	(1,255,949)
Total Net Position	\$ 4,279,770	\$ 71,534	\$ 4,351,304

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS			
Governmental Activities:							
Instruction:							
Regular	\$ 3,674,187	\$ 53,551	\$ 2,177,375		\$ (1,443,261)		\$ (1,443,261)
Special Education	722,799		367,781		(355,018)		(355,018)
Other Special Instruction	54,588		27,776		(26,812)		(26,812)
Support Services:							
Tuition	1,750,202		890,555		(859,647)		(859,647)
Student & Instruction Related Services	823,879	32,425	552,394		(239,060)		(239,060)
School Administrative Services	-		-		-		-
General and Business Admin. Services	509,618		259,308		(250,310)		(250,310)
Plant Operations and Maintenance	412,290		209,785		(202,505)		(202,505)
Pupil Transportation	227,394		115,705		(111,689)		(111,689)
Interest and Other Charges	139,269		-		(139,269)		(139,269)
Total Governmental Activities	8,314,226	85,976	4,600,679		(3,627,571)		(3,627,571)
Business-Type Activities:							
Food Service	133,317	\$ 410	168,389			\$ 35,482	35,482
Total Business-Type Activities	133,317	410	168,389			35,482	35,482
Total Primary Government	\$ 8,447,543	\$ 86,386	\$ 4,769,068		\$ (3,627,571)	\$ 35,482	\$ (3,592,089)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 4,135,026		\$ 4,135,026
Taxes Levied for Debt Service					283,812		283,812
Investment Earnings					928		928
Miscellaneous Income					14,667	-	14,667
Total General Revenues, Special Items, Extraordinary Items and Transfers					4,434,433		4,434,433
Change in Net Position					806,862	35,482	842,344
Net Position—Beginning					3,472,908	36,052	3,508,960
Prior Period Adjustments							
Net Position—Beginning (Restated)					3,472,908	36,052	3,508,960
Net Position—Ending					\$ 4,279,770	\$ 71,534	\$ 4,351,304

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2022

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 1,912,303	\$ 46,994		\$ 1,959,297
Interfund Receivables	291,493			291,493
Accounts Receivable, Net	15,970			15,970
Receivables from Other Governments	159,687	604,414		764,101
TOTAL ASSETS	\$ 2,379,453	\$ 651,408	-	\$ 3,030,861
LIABILITIES AND FUND BALANCES				
Liabilities:				
Interfund Payable		\$ 290,539	\$ 954	\$ 291,493
Accounts Payable	\$ 91,871	11,352		103,223
Payroll Deductions and Withholdings Payable	26,720			26,720
Unemployment Compensation Claims Payable	4,839			4,839
Deferred Revenue	395,133	302,523		697,656
Total Liabilities	518,563	604,414	954	1,123,931
Fund Balances:				
<u>Restricted for:</u>				
Capital Reserve	874,424			874,424
Emergency Reserve	200,032			200,032
Maintenance Reserve	204,201			204,201
Tuition Reserve	328,000			328,000
Unemployment Claims	47,080			47,080
Scholarships		9,119		9,119
Student Activities		37,875		37,875
<u>Assigned to:</u>				
Year-End Encumbrances	11,718			11,718
General Fund-Designated for Subsequent Year's Expend. Capital Projects Fund	100,000			100,000
Debt Service Fund			(954)	(954)
<u>Unassigned:</u>				
General Fund	95,435			95,435
Total Fund Balances	1,860,890	46,994	(954)	1,906,930
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,379,453	\$ 651,408	-	\$ 3,030,861

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 \$11,087,059 and the accumulated depreciation is \$4,557,342.	\$6,529,717
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 8)	132,459
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8)	(695,442)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	(625,860)
Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(36,627)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(2,931,407)
Net Position of governmental activities	\$ 4,279,770

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Local Tax Levy	\$ 4,135,026		\$ 283,812	\$ 4,418,838
Tuition	53,551			53,551
Miscellaneous	14,064	\$ 33,956		48,020
Total - Local Sources	<u>4,202,641</u>	<u>33,956</u>	<u>283,812</u>	<u>4,520,409</u>
State Sources	3,962,595	30,000	-	3,992,595
Federal Sources	6,167	411,019		417,186
Total Revenues	<u>8,171,403</u>	<u>474,975</u>	<u>283,812</u>	<u>8,930,190</u>
EXPENDITURES				
Current:				
Regular Instruction	2,521,742	153,796		2,675,538
Special Education Instruction	572,967			572,967
Other Special Instruction	43,272			43,272
Support services and undistributed costs:				
Tuition	1,750,202			1,750,202
Student and Instruction Related Services	519,914	133,180		653,094
School Administrative Services	-			-
Other Administrative Services	403,977			403,977
Plant Operations and Maintenance	326,825			326,825
Pupil Transportation	227,394			227,394
Unallocated Benefits	1,207,915			1,207,915
Charter School	17,865			17,865
Debt Service:				
Principal			200,000	200,000
Interest and Other Charges			83,812	83,812
Capital Outlay	132,767	186,094		318,861
Total Expenditures	<u>7,724,840</u>	<u>473,070</u>	<u>283,812</u>	<u>8,481,722</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>446,563</u>	<u>1,905</u>	<u>-</u>	<u>448,468</u>
Fund Balance—July 1	1,414,327	45,089	(954)	1,458,462
Prior Period Adjustment		-		-
Fund Balance—July 1 (Restated)	<u>1,414,327</u>	<u>45,089</u>	<u>(954)</u>	<u>1,458,462</u>
Fund Balance—June 30	<u>\$ 1,860,890</u>	<u>\$ 46,994</u>	<u>\$ (954)</u>	<u>\$ 1,906,930</u>

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 448,468

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

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

	Depreciation Expense	\$ (242,020)	
	Net Book Value of Disposals	-	
	Capital Outlays, Net of Capital Lease Capital Cost	<u>202,797</u>	(39,223)

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

193,875

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

200,000

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

992

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

-

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

2,750

Change in Net Position of Governmental Activities \$ 806,862

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
 PROPRIETARY FUNDS

June 30, 2022

	<u>Business-Type Activities- Enterprise Funds</u>	
	<u>Food Service</u>	<u>Totals</u>
ASSETS		
Current assets:		
Cash and Cash Equivalents	\$ 52,276	\$ 52,276
Federal and State Accounts Receivable	6,913	6,913
Interfund Receivable	-	-
Inventories	5,780	5,780
Total Current Assets	<u>64,969</u>	<u>64,969</u>
Noncurrent Assets:		
Furniture, Machinery and Equipment	33,039	33,039
Less Accumulated Depreciation	(25,280)	(25,280)
Total Noncurrent Assets	<u>7,759</u>	<u>7,759</u>
Total Assets	<u>72,728</u>	<u>72,728</u>
LIABILITIES		
Current liabilities:		
Accounts Payable	-	-
Deferred Revenue	1,194	1,194
Total Current Liabilities	<u>1,194</u>	<u>1,194</u>
Total Liabilities	<u>1,194</u>	<u>1,194</u>
Net Position		
Invested in Capital Assets Net of Related Debt	7,759	7,759
Unrestricted	63,775	63,775
Total Net Position	<u>\$ 71,534</u>	<u>\$ 71,534</u>

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	Business-type Activities- Enterprise Fund	
	Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 410	\$ 410
Daily Sales - Non-Reimb.Programs	-	-
Miscellaneous	-	-
Total Operating Revenues	<u>410</u>	<u>410</u>
 Operating Expenses:		
Cost of Sales - Reimbursable Programs	61,772	61,772
Cost of Sales - Non-reimbursable Programs	-	-
Salaries	49,704	49,704
Employee Benefits	10,485	10,485
Supplies	1,172	1,172
Miscellaneous	353	353
Other Purchased Professional Services	7,891	7,891
Depreciation	1,940	1,940
Total Operating Expenses	<u>133,317</u>	<u>133,317</u>
 Operating Income (Loss)	<u>(132,907)</u>	<u>(132,907)</u>
 Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	3,651	3,651
Federal Sources:		
National School Lunch Program	157,524	157,524
Food Distribution Program	7,214	7,214
Total Nonoperating Revenues (Expenses)	<u>168,389</u>	<u>168,389</u>
 Income (Loss) Before Contributions and Transfers	35,482	35,482
Transfers In (Out)		
Change in Net Position	<u>35,482</u>	<u>35,482</u>
 Total Net Position—Beginning	36,052	36,052
Total Net Position—Ending	<u><u>\$ 71,534</u></u>	<u><u>\$ 71,534</u></u>

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2022

	Business-Type Activities- Enterprise Funds	
	Food Service	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 410	\$ 410
Payments to Employees and Benefits	(60,189)	(60,189)
Payments to Suppliers	(79,515)	(79,515)
Net Cash Provided by (used for) Operating Activities	(139,294)	(139,294)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	3,872	3,872
Federal Sources	156,051	156,051
Operating Subsidy Transfers from Other Funds	30,460	30,460
Net Cash Provided by (used for) Non-Capital Financing Activities	190,383	190,383
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Purchase of Capital Assets	(9,700)	(9,700)
Net Cash Provided by (used for) Non-Capital Financing Activities	(9,700)	(9,700)
Net Increase (Decrease) in Cash and Cash Equivalents	41,389	41,389
Balances—Beginning of Year	10,887	10,887
Balances—End of Year	\$ 52,276	\$ 52,276
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	\$ (132,907)	\$ (132,907)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Federal Commodities	7,214	7,214
Depreciation Expense	1,940	1,940
(Increase) Decrease in Receivables	-	-
(Increase) Decrease in Inventories	(3,347)	(3,347)
Increase (Decrease) in Accounts Payable	(12,194)	(12,194)
Total Adjustments	(6,387)	(6,387)
Net Cash Provided by (used for) Operating Activities	\$ (139,294)	\$ (139,294)

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

Notes to Financial Statements

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, and GASB No. 84, Fiduciary Activities. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2021.

A. Reporting Entity:

The Oxford Township School District is a Type II district located in the County of Warren, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of five members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Oxford Township School District had an approximate enrollment at June 30, 2022, of 260 students.

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

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

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

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

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

GOVERNMENTAL FUNDS (Continued)

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

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

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

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the District reports the following fund type:

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

Basis of Accounting

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control:

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

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

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

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

D. Encumbrance Accounting:

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

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

Interfund Transactions:

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

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

Inventories:

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

Allowance for Uncollectible Accounts:

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

Capital Assets:

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

Compensated Absences:

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

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

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

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

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2022, but which were levied to finance fiscal year 2023 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Net Position:

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

Fund Balance Reserves:

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

Revenues—Exchange and Nonexchange Transactions

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the district would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2022, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

As of June 30, 2022, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents (A-1)
Checking	\$1,604,753
	<hr style="border-top: 1px solid black;"/>
	\$1,604,753
	<hr style="border-top: 3px double black;"/>

The carrying amount of the Board's cash and cash equivalents at June 30, 2022, was \$1,604,753 and the bank balance was \$2,050,029. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$1,800,029 was covered by collateral pool.

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

Investments:

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

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

At June 30, 2022, the district's balance was \$406,820

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 3: RECEIVABLES

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

	<u>Governmental Fund Financial Statements</u>	<u>Government-Wide Financial Statements</u>
State Aid	\$189,687	\$189,843
Federal Aid	574,414	581,171
Gross Receivable-Governm.	764,101	771,014
Other Receivables	15,970	15,970
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	\$780,071	\$786,984

NOTE 4: INVENTORY

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

Food	\$	3,742
Supplies		2,038
Total	\$	5,780

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

NOTE 5: DEFERRED BOND ISSUANCE COSTS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 6: 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:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 550			\$ 550
Construction in Progress				
Total Capital Assets Not Being Depreciated	550			550
<i>Capital Assets Being Depreciated:</i>				
Land Improvements	156,800			156,800
Buildings and Building Improvements	10,390,258	\$ 202,797		10,593,055
Machinery and Equipment	336,654			336,654
Total at Historical Cost	10,883,712	202,797	-	11,086,509
Less Accumulated Depreciation for:				
Land Improvements	(156,800)			(156,800)
Building and Improvements	(3,951,116)	(227,421)		(4,178,537)
Equipment	(207,406)	(14,599)		(222,005)
Total Accumulated Depreciation	(4,315,322)	(242,020)	-	(4,557,342)
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	6,568,390	(39,223)	-	6,529,167
Government Activity Capital Assets, Net	\$ 6,568,940	(\$39,223)	\$0	\$ 6,529,717

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

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 242,020
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NOTE 7: LONG-TERM OBLIGATIONS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 7: LONG-TERM OBLIGATIONS - (Continued)

A. Long-Term Obligation Activity:

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

	<u>Balance</u> <u>7/1/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>6/30/22</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$2,930,000		(\$200,000)	\$2,730,000	\$205,000
Other Liabilities:					
Capital Lease Obligations	992		(992)	-	
Compensated Absences Payable	201,407			201,407	
Total	\$3,132,399	-	(\$200,992)	\$2,931,407	\$205,000

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

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

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

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

For the year ended June 30, 2022, it is not necessary for the Board to establish a liability for arbitrage rebate.

	<u>Government Activities</u>			<u>Balance</u>
	<u>Issue</u> <u>Dates</u>	<u>Interest</u> <u>Rates</u>	<u>Date of</u> <u>Maturity</u>	<u>June 30, 2022</u>
General School Renovations				
Bonds Payable-Series 2016	11/3/16	2.0%-3.25%	7/15/2032	\$ 2,730,000
Total Bonds				\$ 2,730,000

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 7: LONG-TERM OBLIGATIONS (Continued)

B. Debt Service Requirements:

Debt Service requirements on serial bonds payable at June 30, 2022, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 205,000	\$ 77,862	\$ 282,862
2024	210,000	73,712	283,712
2025	220,000	68,312	288,312
2026	225,000	61,637	286,637
2027	240,000	54,662	294,662
Thereafter	<u>1,630,000</u>	<u>162,347</u>	<u>1,792,347</u>
	<u>\$ 2,730,000</u>	<u>\$ 498,532</u>	<u>\$ 3,228,532</u>

C. Advance Refunding:

The 2016 School Bonds were issued on November 3, 2016 in the amount of \$3,655,000 to advance refund a portion of the 2006 Refunding School Bonds. The advance refunding proceeds along with an original issue premium of \$168,570, and a contribution from the budgeted debt service fund of \$60,000 was deposited to an escrow account, which was utilized on December 15, 2016 to refund the 2006 bonds, provide for accrued interest, and costs of issuance. The balance outstanding on the refunded 2006 School Bonds was -0- at June 30, 2022.

D. Capital Lease Obligations:

The district entered into a leases for security and technolgy equipment on July 7, 2016 and on June 29, 2016 for a period of 60 months and 40 months respectively. Interest on the security lease is at 7.9% per annum and interest on the technolgy lease is at 8.1% per annum. The lease was paid and liquidated in fiscal year 2022.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS

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

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

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

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$10,310,148 as measured on June 30, 2021 and \$13,438,475 measured on June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$242,602 and revenue of \$242,602 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2022 is based upon changes in the collective net pension liability with a measurement period of June 30, 2020 through June 30, 2021. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2020 and June 30, 2021.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

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

	<u>6/30/2020</u>	<u>6/30/2021</u>
Collective deferred outflows of resources	\$9,589,140,982	\$6,356,228,800
Collective deferred inflows of resources	\$14,409,361,877	\$27,175,330,929
Collective net pension liability (Nonemployer-State of New Jersey)	\$65,848,796,740	\$48,075,188,642
State's portion of the net pension liability that was associated with the district	\$13,438,475	\$10,310,148
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.020408%	0.021446%

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-US devel.markets equit	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yeild	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	0.95%
Risk mitigation	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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2021, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>

State's Collective Net Pension Liability \$ 56,988,413,045 \$ 48,165,991,182 \$ 40,755,711,186

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fiduciary net position as of June 30, 2021 was \$26,533,142,515.

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

	<u>Year Ended June 30:</u>
2022	(\$2,914,282,899)
2023	(3,500,098,875)
2024	(4,665,036,366)
2025	(4,192,375,542)
2026	(2,350,648,872)
Thereafter	<u>(3,367,824,517)</u>
Total	<u>(\$20,990,267,071)</u>

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2021 are as follows:

Service cost	\$1,759,507,848
Interest on total pension liability	4,695,758,765
Member contributions	(883,659,076)
Administrative expenses	9,042,590
Expected investment return net of investment expenses	(1,458,899,157)
Pension expense related to specific liabilities of individual employers	(403,226)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	201,861,563
Changes in assumptions	(2,256,761,544)
Difference between projected and actual investment earnings on pension plan investments	<u>(933,080,851)</u>
Total pension expense	<u>\$1,133,366,912</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

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

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

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

At June 30, 2022, the District reported a liability of \$625,860 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The total pension liability for the June 30, 2020 valuation was determined by an experience study for the period July 1, 2014 to June 30, 2018. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2021 and 2020. At June 30, 2021, the District's proportion was 0.00528% which was a decrease of 0.0016% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of (\$145,426). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 9,871	\$ 4,480
Changes of assumptions	3,259	222,810
Net difference between projected and actual earnings on pension plan investments	-	164,868
Changes in proportion and differences between District contributions and proportionate share of contributions	57,458	303,284
District contributions subsequent to the measurement date	61,871	
Total	<u>\$ 132,459</u>	<u>\$ 695,442</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

\$61,871 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, 2021) will be recognized as a reduction of the net pension liability measured as of June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2022	(\$243,453)
2023	(173,825)
2024	(118,519)
2025	(89,091)
2026	<u>35</u>
Total	<u>(\$624,854)</u>

	<u>6/30/2020</u>	<u>6/30/2021</u>
Collective deferred outflows of resources	\$2,347,583,337	\$1,164,738,169
Collective deferred inflows of resources	7,849,949,467	8,339,123,762
Collective net pension liability (Non State - Local Group)	\$16,307,384,832	\$11,846,496,875
District's portion of net pension liability	\$1,122,384	\$625,860
District's proportion %	0.00688267%	0.00528308%

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 was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

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

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-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, 2014 to June 30, 2018.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-US devel.markets equit	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yeild	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
US Treasuries	5.00%	0.95%
Risk mitigation	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 District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2021, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>(7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 852,294	\$625,860	\$ 433,698

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2021 are as follows:

Service cost	\$62,712
Interest on total Pension liability	246,443
Member contributions	(51,022)
Administrative expens	892
Expected investment return net of investment expenses	(134,449)
Pension expense related to specific liabilities of individual employers	(629)
Recognition (amortization) of deferred inflows/outflows:	0
Differences between expected and actual experience	6,905
Changes in assumptions	(187,067)
Difference between projected and actual investment earnings on pension plan investments	<u>(89,212)</u>
Total pension expense	<u>(\$145,426)</u>

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8: PENSION PLANS (Continued)

<u>Three-Year Trend Information for PERS</u>			
Year	Annual	Percentage	Net
<u>Funding</u>	<u>Cost (APC)</u>	<u>of APC</u>	<u>Pension</u>
		<u>Contributed</u>	<u>Obligation</u>
6/30/2022	\$61,871	100 %	-0-
6/30/2021	\$75,293	100	-0-
6/30/2020	\$65,443	100	-0-

<u>Three-Year Trend Information for TPAF (Paid on-behalf of the District)</u>			
Year	Annual	Percentage	Net
<u>Funding</u>	<u>Cost (APC)</u>	<u>of APC</u>	<u>Pension</u>
		<u>Contributed</u>	<u>Obligation</u>
6/30/2022	\$852,099	100 %	-0-
6/30/2021	\$635,585	100	-0-
6/30/2020	\$455,938	100	-0-

During the fiscal year ended June 30, 2022, the State of New Jersey did contribute \$1,051,133 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$156,782 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. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

Note 9: POST-RETIREMENT BENEFITS

Plan description and benefits provided

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 9: POST-RETIREMENT BENEFITS-(Continued)

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

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

Total Nonemployer OPEB Liability

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

Actuarial assumptions and other imputes The June 30, 2022 GASB 75 reporting is based on a measurement date of June 30, 2021. 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 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 and July 1, 2014 - June 30, 2018, for TPAF and PERS, respectively. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary Increases Through 2026:	1.55-4.45% TPAF 2.00-6.00% PERS Based on service years
Salary Increases Thereafter:	2.75-4.45% TPAF 3.00-7.00% PERS Based on service years
Discount rate (2021)	2.16%
Discount rate (2020)	2.21%
Healthcare cost trend rates (PPO Plans)	5.74%, increasing to 12.93% in fiscal year 2025 and decreases to 4.5% after eleven years
Healthcare cost trend rates (HMO Plans)	6.01%, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after eleven years
Healthcare cost trend rates (Prescription Drug Benefits)	6.75% and decreases to a 4.5% long-term trend rate after seven years
Healthcare cost trend rates (Medicare Part B reimbursement)	5.00%
Healthcare cost trend rates (Medicare Advantage)	5.65%

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 9: POST-RETIREMENT BENEFITS-(Continued)

The discount rate for June 30, 2021 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.

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

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

	<u>Total OPEB Liability</u>
The State's Total OPEB Liability Balance at 6/30/2020	\$67,809,962,608
<u>Changes for the year:</u>	
Service Cost	3,217,184,264
Interest on the Total OPEB Liability	1,556,661,679
Change in Benefit Terms	(63,870,842)
Differences Between Expected and Actual Experience	(11,385,071,658)
Changes of Assumptions	59,202,105
Gross Benefit Payments	-
Contributions from Members	(1,186,417,186)
Net changes	<u>(7,802,311,638)</u>
The State's Total OPEB Liability Balance at 6/30/2021	<u>\$60,007,650,970</u>

The State's total OPEB liability attributable to the District: \$13,698,331

Benefit Changes: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Changes of assumptions and other inputs reflects a change in the discount rate from 2.21 percent in 2020 to 2.16 percent in 2021 and other changes.

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 9: POST-RETIREMENT BENEFITS-(Continued)

		June 30, 2021		
		At 1% Decrease <u>1.16%</u>	At Discount Rate <u>2.16%</u>	At 1% Increase <u>3.16%</u>
Total OPEB Liability (School Retirees)		\$71,879,745,555	\$60,007,650,970	\$50,659,089,138
		June 30, 2020		
		At 1% Decrease <u>1.21%</u>	At Discount Rate <u>2.21%</u>	At 1% Increase <u>3.21%</u>
Total OPEB Liability (School Retirees)		\$81,748,410,002	\$67,809,962,608	\$56,911,439,160

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

		June 30, 2021		
		Health Care Cost		
		<u>At 1% Decrease</u>	<u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)		\$48,576,388,417	\$60,007,650,970	\$75,358,991,782
		June 30, 2020		
		<u>At 1% Decrease</u>	<u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)		\$54,738,488,540	\$67,809,962,608	\$83,375,182,975

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

For the year ended June 30, 2021, the board of education recognized OPEB expense and related revenue of \$999,212 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 9: POST-RETIREMENT BENEFITS-(Continued)

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$9,045,886,863	\$18,009,362,976
Changes of assumptions or other inputs	<u>10,179,536,966</u>	<u>6,438,261,807</u>
Total	<u>\$19,225,423,829</u>	<u>\$24,447,624,783</u>

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

Year ended June 30:	
2022	(\$1,182,303,041)
2023	(1,182,303,041)
2024	(1,182,303,041)
2025	(1,182,303,041)
2026	(840,601,200)
Thereafter	<u>347,612,410</u>
	<u>(\$5,222,200,954)</u>

NOTE 10: DEFERRED COMPENSATION

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

Life USA
 Templeton

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 11: COMPENSATED ABSENCES

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

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

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, no liability existed for compensated absences in the proprietary fund types.

NOTE 12: RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	-	\$4,839	-	\$51,919
2020-2021	-	\$5,857	\$8,928	\$47,080
2019-2020	-	\$5,357	\$5,511	\$50,151

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 13: CONTINGENT LIABILITIES

GRANT PROGRAMS

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

LITIGATION

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

NOTE 14: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1)- Of the \$1,860,890 General Fund fund balance at June 30, 2022, \$11,718 is reserved for encumbrances; \$200,032 is reserved as emergency reserve in accordance with P.L. 2007 c.62; \$204,201 is reserved as maintenance reserve in accordance with P.L. 2007 c.62; \$328,000 is reserved for tuition adjustment in accordance with N.J.A.C. 6A:23-3.1(f)(8); \$874,424 is reserved for Capital Reserve; \$47,080 is reserved for unemployment compensation; \$100,000 is reserved for subsequent years expenditures and was appropriated and included as anticipated revenue for the year ending June 30, 2022; and \$95,435 is unreserved and undesignated.

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$-0-.

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2022:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	
General Fund	\$ 291,493	-	
Special Revenue Fund		\$ 290,539	
Debt Service Fund	-	954	
	<u>\$ 291,493</u>	<u>\$ 291,493</u>	

The infund balances represent cash advances for disbursements for federal grants yet collected until the subsequent year. All interfunds were liquidated in the subsequent year.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 17: CAPITAL RESERVE ACCOUNT

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

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

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

Beginning Balance, July 1, 2021	\$ 635,528
Budgeted Withdrawal	(100,000)
Interest Earned	143
Deposits (PL 2007 c.62 (A1)): Board Resolution June 30, 2022	338,753
Ending Balance, June 30, 2022	\$ 874,424

NOTE 18: EMERGENCY RESERVE ACCOUNT

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

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

Beginning balance July 1, 2021	\$ 200,032
Ending balance June 30, 2022	\$ 200,032

NOTE 19: MAINTENANCE RESERVE ACCOUNT

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

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

Beginning balance July 1, 2021	\$ 19,201
Budgeted Withdrawal	(15,000)
Deposits (PL 2007 c.62 (A1)): Board Resolution June 30, 2022	200,000
Ending balance June 30, 2022	\$ 204,201

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 20: TUITION RESERVE ACCOUNT

A tuition reserve account was established by the School District Board of Education in fiscal year 2021 and 2022, for the accumulation of funds for use in fiscal year 2023 and 2024, respectively, in accordance with NJAC 6A:23A17.1(f). The tuition reserve account is maintained in the general fund and enables the district to reserve fund balance for an anticipated large tuition adjustment for the current contract year. A maximum reserve for the current year is restricted to ten percent of the formal sending/receiving contract amount. Upon certification of rates in the second year following the contract year, full appropriation of the applicable year's reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief.

The district has established a tuition reserve for future tuition adjustments, pursuant to N.J.A.C. 6A:23-3.1(f), in an amount of 10% of the formal receiving/sending contract. \$176,000 has been reserved for the 2020-2021 tuition adjustment due in fiscal year 2022-2023, and \$152,000 has been reserved for the 2021-2022 tuition adjustment due in fiscal year 2023-2024. The tuition reserve for fiscal year 2020-2021 in the amount of \$176,000 has been anticipated as budgeted revenue for the year ending June 30, 2023.

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

Beginning balance July 1, 2021	\$ 375,000
Deposits: Board Resolution June 30, 2022	152,000
Budgeted Withdrawal	<u>(199,000)</u>
Ending balance June 30, 2022	<u>\$ 328,000</u>

NOTE 21: TUITION ADJUSTMENTS

A comparison of tentative tuition charges and actual certified tuition charges was made by the receiving district (Warren Hills Regional School District) for fiscal year 2019-2020 and certified by the state department. The resulting 2019-2020 tuition adjustment of \$54,192 in accordance with N.J.A.C 6a:23-3.1(f)3, is due in fiscal year 2021-2022. The amount owed to the regional school district of \$54,192 for the 2019-2020 tuition adjustment was paid on June 22, 2022.

NOTE 22: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 4,135,026		\$ 4,135,026	4,135,026	
Tuition	70,764		70,764	53,551	\$ (17,213)
Miscellaneous	3,303		3,303	14,064	10,761
Total - Local Sources	4,209,093	-	4,209,093	4,202,641	(6,452)
State Sources:					
Equalization Aid	1,937,994		1,937,994	1,937,994	-
School Choice Aid	174,180		174,180	174,180	-
Transportation Aid	157,585		157,585	157,585	-
Special Education Aid	271,037		271,037	271,037	-
Security Aid	35,263		35,263	35,263	-
Other State Aid	72,338		72,338	158,881	86,543
TPAF Pension (On-Behalf - Non-Budgeted)				851,882	851,882
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				199,034	199,034
TPAF LTD Insurance (On-Behalf - Non-Budgeted)				217	217
TPAF Social Security (Reimbursed - Non-Budgeted)				156,782	156,782
Total State Sources	2,648,397		2,648,397	3,942,855	1,294,458
Federal Sources:					
Medical Assistance Program	5,500		5,500	6,167	667
Total - Federal Sources	5,500		5,500	6,167	667
TOTAL REVENUES	6,862,990		6,862,990	8,151,663	1,288,673

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Pre-Kindergarten - Salaries of Teachers	62,042		62,042	57,110	4,932
Kindergarten - Salaries of Teachers	63,319	456	63,775	63,775	
Grades 1-5 - Salaries of Teachers	701,043	2,093	703,136	702,052	1,084
Grades 6-8 - Salaries of Teachers	568,741	(10,129)	558,612	543,840	14,772
Regular Programs - Home Instruction:					
Salaries of Teachers	6,000		6,000	2,727	3,273
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	151,633	(4,700)	146,933	49,956	96,977
Purchased Technical Services	93,027		93,027	61,262	31,765
Other Purchased Services (400-500 series)	32,500	(4,500)	28,000	25,080	2,920
General Supplies	16,900	4,500	21,400	12,452	8,948
Texts Books	17,500	(8,953)	8,547	7,065	1,482
Furniture		8,953	8,953	8,953	
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,712,705	(12,280)	1,700,425	1,534,272	166,153
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of Teachers	392,041	8,811	400,852	400,852	
General Supplies	750		750	459	291
Total Resource Room/Resource Center	392,791	8,811	401,602	401,311	291

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Autism:					
Salaries of Teachers	65,333		65,333	64,745	588
Other Salaries for Instruction	63,336	40,000	103,336	102,011	1,325
General Supplies	5,000		5,000	4,900	100
Total Autism	<u>133,669</u>	<u>40,000</u>	<u>173,669</u>	<u>171,656</u>	<u>2,013</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>526,460</u>	<u>48,811</u>	<u>575,271</u>	<u>572,967</u>	<u>2,304</u>
Basic Skills/Remedial - Instruction:					
School Sponsored Co/Extra Curricular Activities-Instruction:					
Salaries	19,100		19,100	18,200	900
Total School Sponsored Co/Extra Curricular Activities-Instruc.	<u>19,100</u>		<u>19,100</u>	<u>18,200</u>	<u>900</u>
School Sponsored Athletics-Instruction:					
Salaries	2,500		2,500	2,500	
Total School Sponsored Athletics-Instruction	<u>2,500</u>		<u>2,500</u>	<u>2,500</u>	
Before/After School Programs:					
Salaries of Teachers	23,873		23,873	22,572	1,301
Other Salaries for Instruction	4,560		4,560		4,560
Supplies and Materials	1,200		1,200		1,200
Total Before/After School Programs	<u>29,633</u>		<u>29,633</u>	<u>22,572</u>	<u>7,061</u>
TOTAL INSTRUCTION	<u>2,290,398</u>	<u>36,531</u>	<u>2,326,929</u>	<u>2,150,511</u>	<u>176,418</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State-Regular	1,329,192		1,329,192	1,329,192	
Tuition to Other LEAs Within the State-Special	403,535	(48,465)	355,070	272,155	82,915
Tuition to County Voc. School Dist.-Regular	116,842	(5,578)	111,264	86,022	25,242
Tuition to Priv. Sch. For Disabled within State	102,000	54,043	156,043	62,833	93,210
Total Instruction	1,951,569		1,951,569	1,750,202	201,367
Health Services:					
Salaries	67,147	1,318	68,465	68,465	
Purchased Professional and Technical Services	400		400	300	100
Supplies and Materials	3,175		3,175	1,857	1,318
Other Objects	100		100		100
Total Health Services	70,822	1,318	72,140	70,622	1,518
Other Supp. Services Students-Related Services:					
Salaries	57,384		57,384	55,525	1,859
Purchased Professional-Educational Services	128,900		128,900	120,529	8,371
Supplies and Materials	650		650	496	154
Total Other Supp. Services Students-Related Services	186,934		186,934	176,550	10,384
Other Supp. Services Students-Extra. Services:					
Salaries	19,972		19,972	14,627	5,345
Total Other Supp. Services Students-Extra. Services	19,972		19,972	14,627	5,345
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	185,679	(30,000)	155,679	142,618	13,061
Salaries of Secretarial and Clerical Assistants	50,829	1,750	52,579	52,578	1
Other Purchased Prof. and Tech. Services	8,500	4,750	13,250	7,895	5,355
Other Prch Srvs (400-500 Series)	250		250		250
Supplies and Materials	3,500		3,500	856	2,644
Supplies and Materials	920		920	150	770
Total Other Supp. Services Students-Special	249,678	(23,500)	226,178	204,097	22,081

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Educational Media Services/School Library:					
Salaries	3,780		3,780		3,780
Salaries of Technology Coordinators	33,058	(1,900)	31,158	28,800	2,358
Purchased Prof. and Tech. Services	15,460		15,460	14,742	718
Supplies and Materials	8,700		8,700	6,104	2,596
Other Objects	2,400	1,900	4,300	4,300	
Total Educational Media Services/School Library	63,398		63,398	53,946	9,452
Instructional Staff Training Services:					
Other Objects	100		100	72	28
Total Instructional Staff Training Services	100		100	72	28
Supp. Services - General Administration:					
Salaries	216,334		216,334	214,248	2,086
Legal Services	2,500	6,350	8,850	8,838	12
Audit Fees	16,000	500	16,500	16,500	
Architectural Services	2,000	(1,242)	758	285	473
Other Purchased Professional Services	800	5,691	6,491	6,381	110
Communications/Telephone	5,954	70	6,024	6,009	15
BOE Purchased Services	1,050		1,050		1,050
Other Purchased Services (400-500 series)	3,150		3,150	2,354	796
General Supplies	175		175	47	128
Miscellaneous Expenditures	1,975	322	2,297	2,272	25
BOE Membership Dues & Fees	3,950		3,950	3,817	133
Total Supp. Services - General Administration	253,888	11,691	265,579	260,751	4,828

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Central Services:					
Salaries	128,377	1,224	129,601	128,957	644
Purchased Professional Services	700		700	595	105
Purchased Technical Services	225		225	223	2
Misc. Purchased Services (400-500 series)	650		650	561	89
Supplies and Materials	350		350	330	20
Miscellaneous Expenditures	2,210		2,210	2,160	50
Total Central Services	<u>132,512</u>	<u>1,224</u>	<u>133,736</u>	<u>132,826</u>	<u>910</u>
Required Maintenance for School Facilities:					
Salaries	40,804	448	41,252	41,252	
Cleaning, Repair and Maintenance Services	68,600	1,150	69,750	64,266	5,484
Travel	100		100		100
General Supplies	10,000		10,000	738	9,262
Other Objects	14,625	(3,214)	11,411	1,912	9,499
Total Required Maintenance for School Facilities	<u>134,129</u>	<u>(1,616)</u>	<u>132,513</u>	<u>108,168</u>	<u>24,345</u>
Other Operations and Maintenance of Plant:					
Salaries	86,286		86,286	79,261	7,025
Other Purchased/ Tech Services	7,600		7,600	4,303	3,297
Insurance	50,000	9,058	59,058	58,904	154
General Supplies	12,000	(15,000)	(3,000)		(3,000)
Energy (Natural Gas)	40,000		40,000	29,743	10,257
Energy (Electricity)	75,000	(5,691)	69,309	46,271	23,038
Other Objects	500		500	175	325
Total Other Operations and Maintenance of Plant	<u>271,386</u>	<u>(11,633)</u>	<u>259,753</u>	<u>218,657</u>	<u>41,096</u>
Student Transportation Services					
Salaries of Non-Instructional Aides	10,000	6,500	16,500	1,287	15,213
Sal. for Pupil Trans (Bet Home & Sch) -Reg.	14,067	333	14,400	14,400	
Contracted Services - Aid in Lieu of Payments-Nonpublic Sch.	7,000	(6,500)	500		500
Contracted Services - Aid in Lieu of Payments-Charter School	1,000		1,000	545	455
Contracted Services (Between Home and School)-Vendors	71,483		71,483	69,611	1,872
Contracted Services (Between Home and School)-Joint Agrmts.	1,000		1,000		1,000
Contracted Services (Special Education Students)-Vendors	43,246		43,246	29,120	14,126
Contracted Services (Special Education Students)-Joint Agrmts.	235,975		235,975	112,431	123,544
Total Student Transportation Services	<u>383,771</u>	<u>333</u>	<u>384,104</u>	<u>227,394</u>	<u>156,710</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Security					
Salaries	10,400		10,400	10,400	
Total Security	<u>10,400</u>		<u>10,400</u>	<u>10,400</u>	
ALLOCATED BENEFITS					
Regular Programs-Instruction:					
Social Security Contributions	60,000	1,005	61,005	59,951	1,054
PERS Contribution Funding	70,000	(4,000)	66,000	61,871	4,129
Other Retirement Contributions - PERS	4,000	4,000	8,000	7,523	477
Unemployment Compensation	5,000		5,000		5,000
Workman's Compensation	50,000		50,000	45,910	4,090
Health Benefits	839,160	(21,426)	817,734	745,214	72,520
Tuition Reimbursement	14,300		14,300	13,428	872
Other Employee Benefits	52,200	1,373	53,573	53,573	
Total Regular Programs-Instruction	<u>1,094,660</u>	<u>(19,048)</u>	<u>1,075,612</u>	<u>987,470</u>	<u>88,142</u>
TOTAL ALLOCATED BENEFITS	<u>1,094,660</u>	<u>(19,048)</u>	<u>1,075,612</u>	<u>987,470</u>	<u>88,142</u>
UNALLOCATED BENEFITS					
On-behalf TPAF pension Contrib. (non-budgeted)				851,882	(851,882)
On-behalf TPAF PRM Contrib. (non-budgeted)				199,034	(199,034)
On-behalf TPAF LTD Ins. (non-budgeted)				217	(217)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				156,782	(156,782)
TOTAL ON-BEHALF CONTRIBUTIONS				<u>1,207,915</u>	<u>(1,207,915)</u>
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	<u>1,094,660</u>	<u>(19,048)</u>	<u>1,075,612</u>	<u>2,195,385</u>	<u>(1,119,773)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>4,823,219</u>	<u>(41,231)</u>	<u>4,781,988</u>	<u>5,423,697</u>	<u>(641,709)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>7,113,617</u>	<u>(4,700)</u>	<u>7,108,917</u>	<u>7,574,208</u>	<u>(465,291)</u>
CAPITAL OUTLAY					
FACILITIES ACQUISITIONS AND CONSTRUCT. SVCS:					
Construction Services	100,000		100,000	74,560	25,440
Other Objects	58,207		58,207	58,207	
TOTAL FACILITIES ACQUISITIONS AND CONST. SVCS	<u>158,207</u>		<u>158,207</u>	<u>132,767</u>	<u>25,440</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
TOTAL CAPITAL OUTLAY	158,207		158,207	132,767	25,440
Transfer of Funds to Charter Schools	13,165	4,700	17,865	17,865	
TOTAL EXPENDITURES	7,284,989		7,284,989	7,724,840	(439,851)
Excess (Deficiency of Revenues Over(Under) Expenditures	(421,999)		(421,999)	426,823	848,822
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(421,999)		(421,999)	426,823	848,822
Fund Balance, July 1	1,685,852		1,685,852	1,685,852	
Prior Period Adjustment					
Fund Balance, July 1 (Restated)	1,685,852		1,685,852	1,685,852	
Fund Balance, June 30	\$ 1,263,853	\$ -	\$ 1,263,853	2,112,675	\$ 848,822

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Recapitulation:					
Restricted for:					
Tuition Reserve - FY21-22 Due FY 23-24				152,000	
Tuition Reserve - FY20-21 Due FY 22-23				176,000	
Capital Reserve				874,424	
Emergency Reserve				200,032	
Maintenance Reserve				204,201	
Unemployment Compensation				47,080	
Assigned to:					
Reserve for Encumbrances				11,718	
Designated for Subsequent Year's Expenditures				100,000	
Unassigned:					
Unrestricted Fund Balance				<u>347,220</u>	
Fund Balance per Governmental Funds(Budgetary Basis)				2,112,675	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				<u>(251,785)</u>	
Fund Balance per Governmental Funds(GAAP Basis B-2)				<u>1,860,890</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources		\$ 33,956	\$ 33,956	\$ 33,956	-
State Sources		30,000	30,000	30,000	-
Federal Sources	\$ 541,501	171,438	712,939	412,963	\$ (299,976)
Total Revenues	541,501	235,394	776,895	476,919	(299,976)
EXPENDITURES:					
Instruction					
Other Salaries for Instruction	124,704	64,770	189,474	41,349	148,125
Purchased Profess. & Tech Services	87,294	(57,294)	30,000	26,945	3,055
Tuition		57,294	57,294	57,294	
General Supplies	27,581	2,279	29,860	29,714	146
Total Instruction	239,579	67,049	306,628	155,302	151,326
Support Services					
Other Salaries	45,000	11,088	56,088	50,758	5,330
Purchased Profess. Services	18,946	21,152	40,098	40,098	
Supplies and Materials	10,000	711	10,711	10,711	
Student Activities		29,700	29,700	29,700	
Scholarships		2,351	2,351	2,351	
Total Support Services	73,946	65,002	138,948	133,618	5,330
Facilities Acq. & Construction Svs					
Buildings	227,976	101,438	329,414	186,094	143,320
Total Facilities & Construction Svs	227,976	101,438	329,414	186,094	143,320
Total Expenditures	541,501	233,489	774,990	475,014	299,976
Total Outflows	\$ 541,501	\$ 233,489	\$ 774,990	\$ 475,014	\$ 299,976
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)		1,905	1,905	1,905	
Fund Balance Beginning				45,089	
Prior Period Adjustment				-	
Fund Balance Beginning (Restated)				45,089	
Fund Balance Ending				<u>\$ 46,994</u>	
<u>Recapitulation:</u>					
Restricted:					
Scholarships				\$ 9,119	
Student Activities				37,875	
Total Fund Balance				<u>\$ 46,994</u>	

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

For the Fiscal Year Ended June 30, 2022

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

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 8,151,663	\$ 476,919
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	(1,944)
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	271,525	
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(251,785)</u>	<u> -</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 8,171,403</u>	<u>\$ 474,975</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 7,724,840	\$ 475,014
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	(1,944)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 7,724,840</u>	<u>\$ 473,070</u>

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

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 10,310,148	\$ 13,438,475	\$ 13,676,871	\$ 14,399,212	\$ 14,821,302	\$ 15,494,931	\$ 11,925,111	\$ 10,068,211	\$ 10,806,791	
Total	\$ 10,310,148	\$ 13,438,475	\$ 13,676,871	\$ 14,399,212	\$ 14,821,302	\$ 15,494,931	\$ 11,925,111	\$ 10,068,211	\$ 10,806,791	
District's covered employee payroll	\$ 2,159,160	\$ 2,199,968	\$ 2,284,904	\$ 2,350,049	\$ 2,199,970	\$ 2,387,841	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622	
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Plan fiduciary net position as a percentage of the total pension liability	35.50%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%	

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

Public Employees' Retirement System (PERS)

Exhibit L-1

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00528%	0.00688%	0.00668%	0.00680%	0.00635%	0.00691%	0.00648%	0.00785%	0.00638%	
District's proportionate share of the net pension liability (asset)	\$ 625,860	\$ 1,122,384	\$ 1,203,695	\$ 1,339,202	\$ 1,477,928	\$ 2,047,396	\$ 1,454,718	\$ 1,469,797	\$ 1,219,396	
District's covered employee payroll	\$ 334,013	\$ 354,918	\$ 397,718	\$ 473,177	\$ 462,063	\$ 430,833	\$ 620,747	\$ 681,512	\$ 656,442	
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	187.38%	316.24%	302.65%	283.02%	319.85%	475.22%	234.35%	215.67%	185.76%	
Plan fiduciary net position as a percentage of the total pension liability (Local)	70.33%	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%	52.08%	48.72%	

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

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

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	\$ 2,159,160	\$ 2,199,968	\$ 2,284,904	\$ 2,350,049	\$ 2,199,970	\$ 2,387,841	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622	
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

Public Employees' Retirement System (PERS)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$61,871	\$75,293	\$65,443	\$68,200	\$60,335	\$62,153	\$55,714	\$ 50,523	\$ 45,992	
Contributions in relation to the contractually required contribution	(61,871)	(75,293)	(65,443)	(68,200)	(60,335)	(62,153)	(55,714)	(50,523)	(45,992)	
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	\$ 334,013	\$ 354,918	\$ 397,718	\$ 473,177	\$ 462,063	\$ 430,833	\$ 620,747	\$ 681,512	\$ 656,442	
Contributions as a percentage of covered-employee payroll	18.52%	21.21%	16.45%	14.41%	13.06%	14.43%	8.98%	7.41%	7.01%	

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

Required Supplementary Information - Part III

Schedule of Changes in the State's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years *

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

The State of New Jersey's Total OPEB Liability	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Service Cost	\$ 3,217,184,264	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319				
Interest	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792				
Change in Benefit Terms	-63870842									
Differences Between Expected and Actual Experience	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)						
Benefit Payments	59,202,105	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)				
Contributions from Members	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747				
Changes of Assumptions or other inputs	(1,186,417,186)	12,386,549,981	622,184,027	\$ (5,291,448,855)	\$ (7,086,599,129)	8,611,513,521				
Net change in total OPEB liability	(7,802,311,638)	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360				
Total OPEB Liability - Beginning	\$ 67,809,962,608	\$41,729,081,045	\$46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184	\$ 46,849,651,824				
Total OPEB Liability - Ending	\$ 60,007,650,970	\$67,809,962,608	\$41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184				
The State of New Jersey's total OPEB liability **	\$ 60,007,650,970	\$67,809,962,608	\$41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184				
The State of New Jersey's OPEB liability attributable to the District **	\$ 13,698,331	\$ 15,505,323	\$ 8,818,042	\$ 9,807,448	\$ 11,471,712	\$ 12,378,498				
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero	Zero				
District's covered employee payroll	\$ 2,493,173	\$ 2,554,886	\$ 2,682,622	\$ 2,823,226	\$ 2,662,033	\$ 2,818,674				
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
District's contribution	None	None	None	None	None	None				
State's covered employee payroll ***	\$ 14,425,669,769	\$14,267,738,657	\$13,929,083,479	\$ 13,640,275,833	\$ 13,493,400,208	\$ 13,493,400,208				
Total State's OPEB liability as a percentage of its covered-employee payroll	415.98%	475.27%	299.58%	338.05%	397.53%	428.59%				

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

*** Covered payroll for the Measurement Period ending June 30, 2020 and June 30, 2021 is based on the payroll on the June 30, 2019 and June 30, 2020 census data, respectively

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

OXFORD SCHOOL DISTRICT

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

For the Fiscal Year Ended June 30, 2022

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

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

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

OPEB Schedules

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

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

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 2.21 percent in 2020 to 2.16 percent in 2021.

Public Employees' Retirement System (PERS)

Pension Schedules

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

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

OPEB Schedules

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

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

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 2.21 percent in 2020 to 2.16 percent in 2021.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit E-1

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

For the Fiscal Year Ended June 30, 2022

	Title I Part A	Title II Part A	Title IV	IDEA Basic	IDEA Pre-Sch.	ARP ESSER	ARP Beyond School Day	ARP Mental	CRRSA ESSER II	CRRSA Mental H.	REAP	STATE NJ LEAP Grant	Student Activities	Scholarship Fund	Totals
REVENUES															
Local Sources													\$ 32,425	\$ 1,531	\$ 33,956
State Sources												\$ 30,000			30,000
Federal Sources	\$ 33,626	\$ 7,201	\$ 10,000	\$ 58,294	\$ 2,678	\$ 84,656	\$ 34,668	\$ 39,669	\$101,438	\$ 14,152	\$ 26,581				412,963
TOTAL REVENUES	33,626	7,201	10,000	58,294	2,678	84,656	34,668	39,669	101,438	14,152	26,581	30,000	32,425	1,531	476,919
EXPENDITURES:															
Instruction:															
Other Salaries for Instruction	33,626						7,723								41,349
Purchased Profess. & Tech Services							26,945								26,945
Tuition				57,294											57,294
General Supplies		1,055		1,000	1,078						26,581				29,714
Total Instruction	33,626	1,055		58,294	1,078		34,668				26,581				155,302
Support Services:															
Other Salaries								39,669		11,089					50,758
Purchased Profess Services		6,146			1,600					2,352		30,000			40,098
Supplies and Materials			10,000							711					10,711
Student Activities													29,700		29,700
Scholarships														2,351	2,351
Total Support Services		6,146	10,000		1,600			39,669		14,152		30,000	29,700	2,351	133,618
Facilities Acq. & Construction Svs															
Buildings						84,656			101,438						186,094
Total Facilities & Construction Svs						84,656			101,438						186,094
TOTAL EXPENDITURES	33,626	7,201	10,000	58,294	2,678	84,656	34,668	39,669	101,438	14,152	26,581	30,000	29,700	2,351	475,014
Total Outflows	33,626	7,201	10,000	58,294	2,678	84,656	34,668	39,669	101,438	14,152	26,581	30,000	29,700	2,351	475,014
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	2,725	(820)	1,905
Fund Balance Beginning	-	-	-	-	-	-	-	-	-	-	-	-	35,150	9,939	45,089
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance Beginning (Restated)	-	-	-	-	-	-	-	-	-	-	-	-	35,150	9,939	45,089
Fund Balance Ending	-	-	-	-	-	-	-	-	-	-	-	-	\$ 37,875	\$ 9,119	\$ 46,994

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

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

N/A

**PROPRIETARY FUND
DETAIL STATEMENTS**

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

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

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

**FIDUCIARY FUND
DETAIL STATEMENTS**

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

N/A

LONG-TERM DEBT SCHEDULES

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-1

**SCHEDULE OF SERIAL BONDS
AS OF ENDED JUNE 30, 2022**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JULY 1, 2021</u>	<u>PAID</u>	<u>BALANCE JUNE 30, 2022</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Refunding Bonds - 2016 (To Advance Refund \$3,725,000 2006 Series Refunding Bonds)	11/03/16	\$ 3,655,000	7/15/22	\$ 205,000	2.000%	\$ 2,930,000	\$ 200,000	\$ 2,730,000
			7/15/23	210,000	to 3.25%			
			7/15/24	220,000				
			7/15/25	225,000				
			7/15/26	240,000				
			7/15/27	245,000				
			7/15/28	255,000				
			7/15/29	265,000				
			7/15/30	275,000				
			7/15/31	290,000				
			7/15/32	300,000				
Total						\$ 2,930,000	\$ 200,000	\$ 2,730,000

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-2

**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>ISSUE</u>	<u>INTEREST RATE</u>	<u>AMOUNT OF ISSUE</u>	<u>BALANCE July 1, 2021</u>	<u>RETIRED</u>	<u>BALANCE June 30, 2022</u>
Security Lease	7.90%	\$ 24,754	\$ 992	\$ 992	-
Total			992	\$ 992	-

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive/ (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 283,812		\$ 283,812	\$ 283,812	-
State Sources:					
Debt Service Aid Type II					
TOTAL REVENUES	283,812	-	283,812	283,812	-
EXPENDITURES:					
Regular Debt Service:					
Interest	83,812		83,812	83,812	-
Redemption of Principal	200,000		200,000	200,000	-
Total Regular Debt Service	283,812		283,812	283,812	-
TOTAL EXPENDITURES	283,812		283,812	283,812	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-		-	-	-
Fund Balance, July 1	(954)		(954)	(954)	-
Fund Balance, June 30	(954)	-	(954)	(954)	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	-	-	-	-	-

Oxford Township School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	92-97
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	98-101
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	102-105
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	106-107
Operating Information (J-16 thru J-20) These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	108-112

Sources:

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

**Oxford Township School District
Net Position by Component,
Last Ten Fiscal Years**

Exhibit J-1

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of related debt	\$ 2,966,826	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909	\$ 3,385,026	\$ 3,464,722	\$ 3,464,722	\$ 3,556,403	\$ 3,638,940	\$ 3,799,717
Restricted	672,155	821,913	873,760	1,041,561	895,071	877,890	995,601	1,189,862	1,428,976	1,799,777
Unrestricted	(276,206)	(267,855)	(1,227,625)	(1,494,498)	(1,662,664)	(1,555,863)	(1,492,526)	(1,604,128)	(1,595,008)	(1,319,724)
Total governmental activities Net Position	<u>\$ 3,362,775</u>	<u>\$ 3,520,884</u>	<u>\$ 2,612,961</u>	<u>\$ 2,755,972</u>	<u>\$ 2,617,433</u>	<u>\$ 2,786,749</u>	<u>\$ 2,967,797</u>	<u>\$ 3,142,137</u>	<u>\$ 3,472,908</u>	<u>\$ 4,279,770</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 680							-	-	\$ 7,759
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	9,661	14,265	12,556	16,191	17,256	\$ 13,834	\$ 17,899	\$ 16,054	\$ 36,052	63,775
Total business-type activities Net Position	<u>\$ 10,341</u>	<u>\$ 14,265</u>	<u>\$ 12,556</u>	<u>\$ 16,191</u>	<u>\$ 17,256</u>	<u>\$ 13,834</u>	<u>\$ 17,899</u>	<u>\$ 16,054</u>	<u>\$ 36,052</u>	<u>\$ 71,534</u>
District-wide										
Invested in capital assets, net of related debt	\$ 2,967,506	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909	\$ 3,385,026	\$ 3,464,722	\$ 3,464,722	\$ 3,556,403	\$ 3,638,940	\$ 3,807,476
Restricted	672,155	821,913	873,760	1,041,561	895,071	877,890	995,601	1,189,862	1,428,976	1,799,777
Unrestricted	(266,545)	(253,590)	(1,215,069)	(1,478,307)	(1,645,408)	(1,542,029)	(1,474,627)	(1,588,074)	(1,558,956)	(1,255,949)
Total district Net Position	<u>\$ 3,373,116</u>	<u>\$ 3,535,149</u>	<u>\$ 2,625,517</u>	<u>\$ 2,772,163</u>	<u>\$ 2,634,689</u>	<u>\$ 2,800,583</u>	<u>\$ 2,985,696</u>	<u>\$ 3,158,191</u>	<u>\$ 3,508,960</u>	<u>\$ 4,351,304</u>

Source: ACFR Schedule A-1

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Instruction										
Regular	\$ 2,657,738	\$ 2,895,617	\$ 3,130,979	\$ 3,380,694	\$ 3,935,652	\$ 4,101,980	\$ 3,853,945	\$ 3,663,321	\$ 4,024,063	\$ 3,674,187
Special education	514,370	514,631	527,952	687,052	716,847	794,038	757,014	860,647	834,319	722,799
Other special instruction	42,224	36,658	44,170	43,709	60,656	75,175	70,563	55,591	45,073	54,588
Support Services:										
Tuition	1,571,200	1,474,776	1,776,420	1,579,064	1,663,660	1,699,963	1,911,850	2,197,270	2,101,735	1,750,202
Student & instruction related services	634,512	644,866	781,910	687,805	828,595	860,037	911,491	733,245	770,640	823,879
School administrative service	131,451	130,782	148,349	154,385	170,499	988	1,127	253	348	-
General and business admin.services	375,919	356,938	409,769	428,055	476,189	539,589	480,228	477,771	543,542	509,618
Plant operations and maintenance	361,349	354,903	386,997	393,108	483,723	510,480	430,123	391,602	453,978	412,290
Pupil transportation	186,588	211,848	213,251	242,200	274,564	253,497	204,812	231,458	225,809	227,394
Special schools										
Interest on long-term debt	264,835	253,782	244,973	236,040	130,519	166,054	157,707	92,718	145,233	139,269
Total governmental activities expenses	<u>6,740,186</u>	<u>6,874,801</u>	<u>7,664,770</u>	<u>7,832,112</u>	<u>8,740,904</u>	<u>9,001,801</u>	<u>8,778,860</u>	<u>8,703,876</u>	<u>9,144,740</u>	<u>8,314,226</u>
Business-type activities:										
Food service	88,606	91,134	99,552	101,551	91,698	89,930	85,940	69,751	74,361	133,317
Total business-type activities expense	<u>88,606</u>	<u>91,134</u>	<u>99,552</u>	<u>101,551</u>	<u>91,698</u>	<u>89,930</u>	<u>85,940</u>	<u>69,751</u>	<u>74,361</u>	<u>133,317</u>
Total district expenses	<u>\$ 6,828,792</u>	<u>\$ 6,965,935</u>	<u>\$ 7,764,322</u>	<u>\$ 7,933,663</u>	<u>\$ 8,832,602</u>	<u>\$ 9,091,731</u>	<u>\$ 8,864,800</u>	<u>\$ 8,773,627</u>	<u>\$ 9,219,101</u>	<u>\$ 8,447,543</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Business and other support services	64,000	102,446	81,676	82,082	96,697	136,652	204,300	237,390	203,918	\$ 85,976
Operating grants and contributions	\$ 3,148,052	\$ 3,216,059	\$ 3,703,912	\$ 3,916,599	\$ 4,398,525	\$ 4,951,055	\$ 4,574,377	\$ 4,310,941	\$ 4,945,589	4,600,679
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>3,212,052</u>	<u>3,318,505</u>	<u>3,785,588</u>	<u>3,998,681</u>	<u>4,495,222</u>	<u>5,087,707</u>	<u>4,778,677</u>	<u>4,548,331</u>	<u>5,149,507</u>	<u>4,686,655</u>
Business-type activities:										
Charges for services										
Business and other support services	54,164	59,046	55,950	55,797	57,110	52,161	57,365	35,531	236	410
Operating grants and contributions	29,067	35,606	40,229	47,662	35,653	34,295	32,640	32,375	94,123	168,389
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>83,231</u>	<u>94,652</u>	<u>96,179</u>	<u>103,459</u>	<u>92,763</u>	<u>86,456</u>	<u>90,005</u>	<u>67,906</u>	<u>94,359</u>	<u>168,799</u>
Total district program revenues	<u>\$ 3,295,283</u>	<u>\$ 3,413,157</u>	<u>\$ 3,881,767</u>	<u>\$ 4,102,140</u>	<u>\$ 4,587,985</u>	<u>\$ 5,174,163</u>	<u>\$ 4,868,682</u>	<u>\$ 4,616,237</u>	<u>\$ 5,243,866</u>	<u>\$ 4,855,454</u>
Net (Expense)/Revenue										
Governmental activities	\$ (3,528,134)	\$ (3,556,296)	\$ (3,879,182)	\$ (3,833,431)	\$ (4,245,682)	\$ (3,914,094)	\$ (4,000,183)	\$ (4,155,545)	\$ (3,995,233)	\$ (3,627,571)
Business-type activities	(5,375)	3,518	(3,373)	1,908	1,065	(3,474)	4,065	(1,845)	19,998	35,482
Total district-wide net expense	<u>\$ (3,533,509)</u>	<u>\$ (3,552,778)</u>	<u>\$ (3,882,555)</u>	<u>\$ (3,831,523)</u>	<u>\$ (4,244,617)</u>	<u>\$ (3,917,568)</u>	<u>\$ (3,996,118)</u>	<u>\$ (4,157,390)</u>	<u>\$ (3,975,235)</u>	<u>\$ (3,592,089)</u>

Continued

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 3,292,340	\$ 3,313,997	\$ 3,521,660	\$ 3,586,163	\$ 3,677,872	\$ 3,721,033	\$ 3,795,166	\$ 3,950,009	\$ 4,043,150	\$ 4,135,026
Taxes levied for debt service	375,216	382,783	385,775	386,384	384,008	349,422	367,979	278,163	275,714	283,812
Investment earnings	320	163	277	932	2,124	2,813	8,790	9,517	238	928
Miscellaneous income	3,356	17,462	31,376	2,963	43,139	10,142	9,296	3,042	6,902	14,667
Federal and State Aid for Capital Assets Projects Transfers										
Total governmental activities	<u>3,671,232</u>	<u>3,714,405</u>	<u>3,939,088</u>	<u>3,976,442</u>	<u>4,107,143</u>	<u>4,083,410</u>	<u>4,181,231</u>	<u>4,240,731</u>	<u>4,326,004</u>	<u>4,434,433</u>
Business-type activities:										
Investment earnings	166	406	1,664	1,727	-	52	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>166</u>	<u>406</u>	<u>1,664</u>	<u>1,727</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 3,671,398</u>	<u>\$ 3,714,811</u>	<u>\$ 3,940,752</u>	<u>\$ 3,978,169</u>	<u>\$ 4,107,143</u>	<u>\$ 4,083,462</u>	<u>\$ 4,181,231</u>	<u>\$ 4,240,731</u>	<u>\$ 4,326,004</u>	<u>\$ 4,434,433</u>
Change in Net Position										
Governmental activities	\$ 143,098	\$ 158,109	\$ 59,906	\$ 143,011	\$ (138,539)	\$ 169,316	\$ 181,048	\$ 85,186	\$ 330,771	\$ 806,862
Business-type activities	(5,209)	3,924	(1,709)	3,635	1,065	(3,422)	4,065	(1,845)	19,998	35,482
Total district	<u>\$ 137,889</u>	<u>\$ 162,033</u>	<u>\$ 58,197</u>	<u>\$ 146,646</u>	<u>\$ (137,474)</u>	<u>\$ 165,894</u>	<u>\$ 185,113</u>	<u>\$ 83,341</u>	<u>\$ 350,769</u>	<u>\$ 842,344</u>

Source: ACFR Schedule A-2

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

Exhibit J-3

	2013		2014		2015		2016		Fiscal Year Ending June 30,		2019		2020		2021		2022			
									2017	2018										
General Fund																				
Reserved	\$	617,155	\$	758,615	\$	840,292	\$	956,561	\$	804,026	\$	908,089	\$	1,043,065	\$	1,150,859	\$	1,276,841	\$	1,665,455
Unreserved		13,927		113,984		81,621		107,857		117,167		121,191		13,762		79,543		137,486		195,435
Total general fund	\$	<u>631,082</u>	\$	<u>872,599</u>	\$	<u>921,913</u>	\$	<u>1,064,418</u>	\$	<u>921,193</u>	#	<u>\$ 1,029,280</u>	\$	<u>1,056,827</u>	\$	<u>1,230,402</u>	\$	<u>1,414,327</u>	\$	<u>1,860,890</u>
All Other Governmental Funds																				
Reserved													\$	39,003	\$	45,089	\$	46,994		
Unreserved, reported in:																				
Special revenue fund	\$	90	\$	75																
Capital projects fund		3,778		3,778	\$	3,783	\$	3,789	\$	3,803	\$	3,846	\$	3,924		3,966		-		-
Debt service fund		-		-		-		-		1,339		1,339		-		2,970		(954)		(954)
Total all other governmental funds	\$	<u>3,868</u>	\$	<u>3,853</u>	\$	<u>3,783</u>	\$	<u>3,789</u>	\$	<u>5,142</u>	\$	<u>5,185</u>	\$	<u>3,924</u>	\$	<u>45,939</u>	\$	<u>44,135</u>	\$	<u>46,040</u>

Source: ACFR Schedule B-1

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

Exhibit J-4

	<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>
Revenues										
Tax levy	\$ 3,667,556	\$ 3,696,780	\$ 3,907,435	\$ 3,972,547	\$ 4,061,880	\$ 4,070,455	\$ 4,163,145	\$ 4,228,172	\$ 4,318,864	\$ 4,418,838
Tuition	64,000	102,446	81,676	82,082	96,697	136,652	204,300	237,390	193,867	53,551
Miscellaneous	3,676	17,625	31,653	3,895	45,263	12,955	18,086	12,559	17,191	48,020
State sources	3,019,691	3,095,790	3,139,301	3,197,807	3,341,766	3,505,444	3,696,142	3,677,599	3,880,752	3,992,595
Federal sources	128,361	120,269	124,852	148,359	140,499	154,294	150,793	151,336	175,605	417,186
Total revenue	6,883,284	7,032,910	7,284,917	7,404,690	7,686,105	7,879,800	8,232,466	8,307,056	8,586,279	8,930,190
Expenditures										
Instruction										
Regular Instruction	2,087,738	2,340,766	2,385,261	2,487,292	2,681,578	2,641,137	2,693,011	2,572,143	2,717,700	2,675,538
Special education instruction	462,209	476,683	438,022	552,513	531,080	551,156	572,045	679,153	595,237	572,967
Other special instruction	37,942	33,955	36,646	35,150	44,937	52,180	53,322	43,868	32,157	43,272
Support Services:										
Tuition	1,571,200	1,474,776	1,776,420	1,579,064	1,663,660	1,699,963	1,911,850	2,197,270	2,101,735	1,750,202
Student & instruction related services	570,168	597,315	648,722	553,119	613,869	596,967	688,777	578,618	549,806	653,094
School administrative services	118,121	121,138	123,080	124,153	126,315	686	852	200	248	-
Other administrative services	337,798	330,618	339,970	344,233	352,787	374,538	362,889	377,018	387,785	403,977
Plant operations and maintenance	324,706	328,733	321,077	316,129	358,369	354,333	325,027	309,021	323,886	326,825
Pupil transportation	186,588	211,848	213,251	242,200	274,564	253,497	204,812	231,458	225,809	227,394
Unallocated employee benefits	434,786	363,853	430,716	514,147	616,947	718,588	817,417	788,269	993,024	1,207,915
Summer School	-	-	-	-	-	-	-	-	-	-
Charter School	43,609	-	-	-	55,281	55,155	37,083	36,527	12,013	17,865
Capital Outlay	78,099	58,207	67,635	58,207	58,207	58,207	86,882	91,882	185,120	318,861
Debt service:										
Principal	210,000	255,000	265,000	275,000	280,000	305,000	350,000	180,000	190,000	200,000
Interest and other charges	229,551	198,516	189,873	180,972	170,383	110,263	102,213	95,193	89,638	83,812
Total expenditures	6,692,515	6,791,408	7,235,673	7,262,179	7,827,977	7,771,670	8,206,180	8,180,620	8,404,158	8,481,722
Excess (Deficiency) of revenues over (under) expenditures	190,769	241,502	49,244	142,511	(141,872)	108,130	26,286	126,436	182,121	448,468
Other Financing Sources (uses)										
Bond Proceeds										
Transfers in										
Transfers out										
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 190,769	\$ 241,502	\$ 49,244	\$ 142,511	\$ (141,872)	\$ 108,130	\$ 26,286	\$ 126,436	\$ 182,121	\$ 448,468
Debt service as a percentage of noncapital expenditures	6.6%	6.7%	6.3%	6.3%	5.8%	5.4%	5.6%	3.4%	3.4%	3.5%

Source: ACFR Schedule B-2

OXFORD TOWNSHIP SCHOOL DISTRICT

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

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 320	\$ 439	\$ 64,000	\$ 2,917	\$ 67,676
2014	163	15,998	102,446	1,464	120,071
2015	277	29,859	81,676	1,512	113,324
2016	932	231	82,082	2,726	85,971
2017	2,124	40,612	96,697	2,513	141,946
2018	2,813		136,652	10,099	149,564
2019	8,790		204,300	9,218	222,308
2020	9,517		237,390	3,000	249,907
2021	238		193,867	2,732	196,837
2022	928	5,914	53,551	7,222	67,615

SOURCE: District Records

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

Exhibit J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Ofarm	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)
2013	\$5,057,400	\$183,999,900	\$4,766,000	\$229,200	\$7,872,400	\$3,772,900	-	\$250,900,957	\$44,323,100	\$880,057	\$206,577,857	\$1.801	\$215,391,965
2014	4,973,800	182,973,100	4,746,000	229,200	7,946,700	3,422,900	1,000,000	248,384,500	43,092,800	-	205,291,700	1.848	199,551,637
2015	7,790,100	181,066,400	4,798,100	238,200	7,719,200	3,125,900	\$1,000,000	249,059,900	43,322,000	-	205,737,900	2.021	187,942,229
2016	6,666,400	178,106,980	4,766,200	238,200	7,826,800	3,125,900	1,000,000	245,625,980	43,895,500	-	202,030,480	2.558	175,258,623
2017	4,259,200	140,571,600	3,825,400	256,900	6,729,000	2,182,500	971,200	200,577,635	41,781,835	-	158,795,800	2.557	176,503,508
2018	3,988,600	141,410,500	3,798,300	256,800	6,563,700	2,182,500	971,200	200,402,535	41,230,935	-	159,171,600	2.625	168,293,070
2019	3,726,400	140,974,800	3,936,200	259,500	6,563,700	2,182,500	971,200	200,226,135	41,611,835	-	158,614,300	2.667	158,614,300
2020	3,542,300	141,127,100	3,936,200	259,400	6,490,700	2,182,500	971,200	200,174,035	41,664,635	-	158,509,400	2.727	179,029,648
2021	3,498,600	140,886,500	4,089,600	266,000	6,490,700	2,182,500	971,200	200,133,835	41,748,735	-	158,385,100	2.789	180,253,826
2022	3,520,200	140,838,800	4,234,100	265,200	6,490,700	2,140,000	971,200	200,209,935	41,749,735	-	158,460,200	2.789	188,499,234

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

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

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Oxford Township Board of Education						Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Oxford Township	Library	Warren County	
2013	\$1.593	\$0.182	\$1.775	\$0.326	\$0.049	\$0.652	\$2.802
2014	\$1.615	\$0.186	\$1.801	\$0.345	\$0.049	\$0.643	\$2.838
2015	\$1.660	\$0.188	\$1.848	\$0.363	\$0.049	\$0.651	\$2.911
2016	\$1.829	\$0.192	\$2.021	\$0.414	\$0.000	\$0.669	\$3.104
2017	\$2.316	\$0.242	\$2.558	\$0.547	\$0.000	\$0.844	\$3.949
2018	\$2.337	\$0.220	\$2.557	\$0.564	\$0.000	\$0.805	\$3.926
2019	\$2.393	\$0.232	\$2.625	\$0.579	\$0.000	\$0.812	\$4.016
2020	\$2.492	\$0.175	\$2.667	\$0.625	\$0.000	\$0.809	\$4.101
2021	\$2.553	\$0.174	\$2.727	\$0.644	\$0.000	\$0.801	\$4.172
2022	\$2.610	\$0.179	\$2.789	\$0.644	\$0.000	\$0.832	\$4.265

Source: District Records and Municipal Tax Collector

Note:

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

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

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

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

Exhibit J-8

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Tilcon Materials, Inc.	\$ 1,845,700	1	1.16%	\$ 2,113,700	2	1.02%
Individual Taxpayer #1	1,614,600	2	1.02%	2,207,200	1	1.07%
Individual Taxpayer #2	1,040,600	3	0.66%	1,656,400	3	0.80%
Oxford Manor	971,200	4	0.61%	1,000,000	6	0.48%
Ecological Mitigation Oxford LLC	963,300	5	0.61%	1,446,100	5	0.70%
Individual Taxpayer #3	919,900	6	0.58%	1,163,200	7	0.56%
Omnipoint DBA T Mobil	695,400	7	0.44%	-		0.00%
Individual Taxpayer #4	612,300	8	0.39%	750,100	8	0.36%
Individual Taxpayer #5	604,700	9	0.38%	732,700	9	0.35%
Individual Taxpayer #6	599,300	10	0.38%	621,300	10	0.30%
Total	\$ 9,867,000		6.23%	\$ 11,690,700		5.66%

Source: District ACFR & Municipal Tax Assessor

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

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$3,667,556	\$3,667,556	100.00%	-
2014	\$3,696,780	\$3,696,780	100.00%	-
2015	\$3,907,435	\$3,907,435	100.00%	-
2016	\$3,972,547	\$3,972,547	100.00%	-
2017	\$4,061,880	\$4,061,880	100.00%	-
2018	\$4,070,455	\$4,070,455	100.00%	-
2019	\$4,163,145	\$4,163,145	100.00%	-
2020	\$4,228,172	\$4,228,172	100.00%	-
2021	\$4,318,864	\$4,318,864	100.00%	-
2022	\$4,418,838	\$4,418,838	100.00%	-

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

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

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

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a	
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District			
2013	\$5,100,000	-0-	-0-	-0-	-0-	\$5,100,000	4.27%	\$2,077	
2014	\$4,845,000	-0-	-0-	-0-	-0-	\$4,845,000	3.91%	\$1,969	
2015	\$4,580,000	-0-	-0-	-0-	-0-	\$4,580,000	3.62%	\$1,863	
2016	\$4,305,000	-0-	-0-	-0-	-0-	\$4,305,000	3.41%	\$1,753	
2017	\$3,955,000	-0-	-0-	-0-	-0-	\$3,955,000	3.13%	\$1,612	
2018	\$3,650,000	-0-	-0-	-0-	-0-	\$3,650,000	2.92%	\$1,500	
2019	\$3,300,000	-0-	-0-	-0-	-0-	\$3,300,000	2.53%	\$1,356	
2020	\$3,120,000	-0-	-0-	-0-	-0-	\$3,120,000	2.30%	\$1,288	
2021	\$2,930,000	-0-	-0-	-0-	-0-	\$2,930,000	2.09%	\$1,208	*
2022	\$2,730,000	-0-	-0-	-0-	-0-	\$2,730,000	1.84%	\$1,116	*

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

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding
- * Current data unavailable

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

Exhibit J-11

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2013	\$5,100,000	-0-	\$5,100,000	2.47%	\$2,077
2014	\$4,845,000	-0-	\$4,845,000	2.36%	\$1,969
2015	\$4,580,000	-0-	\$4,580,000	2.23%	\$1,863
2016	\$4,305,000	-0-	\$4,305,000	2.13%	\$1,753
2017	\$3,955,000	-0-	\$3,955,000	2.49%	\$1,612
2018	\$3,650,000	-0-	\$3,650,000	2.29%	\$1,500
2019	\$3,300,000	-0-	\$3,300,000	2.08%	\$1,356
2020	\$3,120,000	-0-	\$3,120,000	1.97%	\$1,288
2021	\$2,930,000	-0-	\$2,930,000	1.85%	\$1,208
2022	\$2,730,000	-0-	\$2,730,000	1.72%	\$1,116

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

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

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

**Oxford Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2022**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Township of Oxford	\$ 1,083,188	100.000%	\$ 1,083,188
Other debt Warren County	1,305,000	1.660%	<u>21,663</u>
Subtotal, overlapping debt			1,104,851
Oxford Township School District Direct Debt			<u>2,730,000</u>
Total direct and overlapping debt			<u><u>\$ 3,834,851</u></u>

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis

2019	\$	179,390,448
2020		187,415,809
2021		204,728,941
[A]	\$	<u>571,535,198</u>

Average equalized valuation of taxable property [A/3] \$ 190,511,733

Debt limit (3 % of average equalization value) [B] 5,715,352

Net school debt [C] 2,730,000

Legal debt margin [B-C] \$ 2,985,352

Fiscal Year

	<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>
Debt limit	\$6,306,417	\$5,982,795	\$5,624,530	\$5,392,215	\$5,198,038	\$5,181,872	\$5,209,687	\$5,334,867	\$5,377,825	\$ 5,715,352
Total net debt applicable to limit	<u>5,100,000</u>	<u>4,845,000</u>	<u>4,580,000</u>	<u>4,305,000</u>	<u>3,955,000</u>	<u>3,650,000</u>	<u>3,300,000</u>	<u>3,120,000</u>	<u>2,930,000</u>	<u>2,730,000</u>
Legal debt margin	<u>\$1,206,417</u>	<u>\$1,137,795</u>	<u>\$1,044,530</u>	<u>\$1,087,215</u>	<u>\$1,243,038</u>	<u>\$1,531,872</u>	<u>\$1,909,687</u>	<u>\$2,214,867</u>	<u>\$2,447,825</u>	<u>\$2,985,352</u>
Total net debt applicable to the limit as a percentage of debt limit	80.87%	80.98%	81.43%	79.84%	76.09%	70.44%	63.34%	58.48%	54.48%	47.77%

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

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

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

Exhibit J-14

<u>Year</u>	<u>Population^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>
2013	2,481	\$ 116,883,872	\$47,223 R	8.3%
2014	2,466	\$ 119,308,090	\$48,887 R	6.7%
2015	2,471	\$ 123,975,336	\$50,741 R	6.1%
2016	2,463	\$ 126,525,386	\$51,503 R	5.0%
2017	2,447	\$ 126,371,024	\$53,149 R	4.6%
2018	2,436	\$ 126,268,116	\$54,973 R	4.4%
2019	2,432	\$ 130,240,923	\$56,956 R	3.3%
2020	2,427	\$ 135,772,476	\$60,525 R	9.3%
2021	2,426	\$ 140,353,804	\$60,525 *	6.1%
2022	2,447	\$ 148,104,675	\$60,525 *	*

Source:

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

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

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

R =Revised

P =Projected

* Current data unavailable

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

Exhibit J-15

N/A

Employer	2022			2013		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
		6	0.00%			0.00%
		7	0.00%			0.00%
		8	0.00%			0.00%
		9	0.00%			0.00%
		10	0.00%			0.00%
	<hr/>		<hr/>	<hr/>		<hr/>
	<u>-</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Source:

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

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

Exhibit J-16

<u>Function/Program</u>	<u>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	22.0	23.0	24.0	24.0	24.0	22.0	22.0	21.5	21.5	19.0
Special education	8	7.5	7.0	7.0	7.0	9.5	9.5	8.5	8.0	8.0
Other special education	13	14.2	14.0	14.0	14.5	17.0	21.5	14.0	15.0	12.0
Support Services:										
Student & instruction related services	4	4.0	4.0	4.0	4.0	4.0	4.0	4.5	3.5	3.5
School administrative services	4	4.0	4.0	4.0	4.0	3.0	3.0	2.0	2.0	2.0
Business administrative services	3	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant operations and maintenance	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Food Service					0.3	0.3	0.3	0.3	0.3	0.3
Total	56.0	58.2	58.5	58.5	59.3	61.3	65.8	56.3	55.8	50.3

Source: District Personnel Records

**Oxford Township School District
Operating Statistics
Last Ten Fiscal Years**

Exhibit J-17

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary					
2013	437	\$ 6,252,964	\$ 14,309	-4.76%	30	1/14.6		305.0	293.0	9.71%	96.1%
2014	439	6,337,892	14,437	0.90%	31	1/14.2		313.0	303.0	2.62%	96.8%
2015	432	6,780,800	15,696	8.72%	31	1/13.9		308.1	296.9	-1.57%	96.4%
2016	422	6,806,207	16,128	2.75%	31	1/13.6		309.9	297.8	0.58%	96.1%
2017	422	7,377,594	17,482	8.40%	31	1/13.6		292.2	281.1	-5.71%	96.2%
2018	384	7,356,407	19,157	9.58%	32	1/12.2		276.4	265.1	-5.41%	95.9%
2019	411	7,753,967	18,866	-1.52%	32	1/12.8		273.3	259.9	-1.12%	95.1%
2020	376	7,905,427	21,025	11.44%	30	1/12.5		268.0	257.8	-1.94%	96.2%
2021	336	8,124,520	24,180	15.01%	30	1/11.4		257.6	244.2	-3.88%	94.8%
2022	326	8,197,910	25,147	4.00%	27	1/12.1		255.1	233.9	-0.97%	91.7%

Sources: District records, ASSA and Schedule J-4

Note: Enrollment based on annual October district count.

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

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

Exhibit J-18

	<u>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>
<u>District Building</u>										
<u>Elementary</u>										
Oxford Central (1923)										
Square Feet	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554
Capacity (students)	378	378	378	378	378	378	378	378	378	378
Enrollment	305	313	308	310	292	283	274	270	260	260

Number of Schools at June 30, 2022

Source: District records, ASSA

Elementary = 1

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

OXFORD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2022

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</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>	<u>Total</u>
Oxford Central School	N/A	<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$151,670</u>	<u>\$139,540</u>	<u>\$114,229</u>	<u>\$98,697</u>	<u>\$94,438</u>	<u>\$108,168</u>	<u>\$1,092,169</u>
Total School Facilities		87,737	86,429	99,483	111,778	151,670	139,540	114,229	98,697	94,438	108,168	1,092,169
Other Facilities		<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Grand Total		<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$151,670</u>	<u>\$139,540</u>	<u>\$114,229</u>	<u>\$98,697</u>	<u>\$94,438</u>	<u>\$108,168</u>	<u>\$1,092,169</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

INSURANCE SCHEDULE

JUNE 30, 2022

UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
COMPREHENSIVE PACKAGE POLICY - School Alliance Insurance Fund		
Property-Blanket Building and Contents	\$ 500,000,000	\$ 2,500
Builders Risk	25,000,000	1,000
Fine Arts Coverage	2,500,000	1,000
Employee Dishonesty (Per Loss)	500,000	1,000
Money and Securities (in and out)	2,500,000	1,000
Comprehensive General Liability:		
Occurrence Limit	10,000,000	None
Comprehensive Automobile Liability	10,000,000	None
Workers' Compensation	Statutory	None
Environmental Impairment Liability	1,000,000	50,000
	per claim/\$10,000,000 aggregate	
PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE		
BLANKET POSITION BOND - Selective Insurance Company		
School Board Secretary/School Business Administrator	165,000	

SOURCE: District Records

Single Audit Section



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
 Frenchtown, New Jersey 08825-1192
 908-996-4711 Fax: 908-996-4688
 e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

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

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Oxford Township School District Board of Education's basic financial statements, and have issued our report thereon dated January 20, 2023.

Internal Control Over Financial Reporting

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

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

-Continued-

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

Compliance and Other Matters

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

Purpose of this Report

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

Ardito & Company LLC

ARDITO & COMPANY LLC
January 20, 2023

Anthony Ardito

Anthony Ardito
Licensed Public School Accountant No. 2369



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
 Frenchtown, New Jersey 08825-1192
 908-996-4711 Fax: 908-996-4688
 e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by New Jersey OMB circular 15-08

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

In our opinion, the Oxford Township School District Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major 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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

-Continued-

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 District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, **Government Auditing Standards**, and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, **Government Auditing Standards**, and New Jersey 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

-Continued-

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

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

January 20, 2023

Anthony Ardito

Anthony Ardito

Certified Public Accountant

ARDITO & COMPANY LLC

Frenchtown, New Jersey

January 20, 2023

OXFORD TOWNSHIP SCHOOL DISTRICT

K-3

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2022

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2021	Carryover/ Walkover Amount	Cash Received	Budget Expend.	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2022			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Department of Education Passed- Through State Dept. of Education: Special Revenue Fund:																
Title I	84.010	S010A210030	N/A	33,626	7/1/21	6/30/22	\$ 25		\$ 33,626	\$ (33,626)	\$ (25)		-			\$ 33,626
Title II (A)	84.367	S367B210027	N/A	7,346	7/1/21	6/30/22	-		7,346	(7,201)			-	\$ 145		7,346
Title IV	84.424A	S424B210027	N/A	10,000	7/1/21	6/30/22	24		10,000	(10,000)			-	24		10,000
Rural Education Achievement Program	84.358A	S358B210030	S358A212879	26,581	7/1/21	9/30/22			26,581	(26,581)			-			26,581
I.D.E.A. Part B, Basic Regular	84.027	H027A210100	N/A	58,294	7/1/21	6/30/22	578		58,294	(58,294)			-	578		58,294
I.D.E.A. Part B, Preschool	84.173	H173A210114	N/A	2,678	7/1/21	6/30/22			2,678	(2,678)			-			2,678
Subtotal-Special Education Cluster							578		60,972	(60,972)			-	578		60,972
American Rescue Plan-ESSER III	84.425U	S425U210027	ARP	227,976	3/13/20	9/30/24	-		-	(84,656)		\$ (227,976)	143,320			84,656
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U210027	ARP	50,000	3/13/20	9/30/24	-		-	-		(50,000)	50,000			
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U210027	ARP	40,000	3/13/20	9/30/24	-		-	-		(40,000)	40,000			
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U210027	ARP	40,000	3/13/20	9/30/24	-		-	(34,668)		(40,000)	5,332			34,668
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U210027	ARP	45,000	3/13/20	9/30/24	-		-	(39,669)		(45,000)	5,331			39,669
CRRSA - ESSER II	84.425D	S425D210027	CRRSA	101,438	3/13/20	9/30/23	-		-	(101,438)		(101,438)	-			101,438
CRRSA - Learning	84.425D	S425D210027	CRRSA	25,000	3/13/20	9/30/23	-		-	-		(25,000)	25,000			
CRRSA - Mental Health	84.425D	S425D210027	CRRSA	45,000	3/13/20	9/30/23	-		-	(14,152)		(45,000)	30,848			14,152
Total Education Stabilization Fund							-	-	-	(274,583)	-	-	(574,414)	299,831	-	274,583
Total Special Revenue Fund							627		138,525	(412,963)	(25)		(574,414)	300,578		413,108
U.S. Dept. of Agriculture Passed- Through State Dept. of Education: Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program (Food Distribution)	10.555	211NJ304N1099	N/A		7/1/20	6/30/21	870			(870)						870
National School Lunch Program (Food Distribution)	10.555	221NJ304N1099	N/A	7,539	7/1/21	6/30/22			7,539	(6,345)			1,194			6,345
National School Lunch Program	10.555	211NJ304N1099	N/A		7/1/20	6/30/21	(5,284)		5,284							
National School Lunch Program	10.555	221NJ304N1099	N/A	157,524	7/1/21	6/30/22			150,767	(157,524)			(6,757)			157,524
Total Enterprise Fund							(4,414)		163,590	(164,739)			(6,757)	1,194		164,739
TOTAL FEDERAL ASSISTANCE							\$ (3,787)	-	\$ 302,115	\$ (577,702)	(25)	-	\$ (581,171)	\$ 301,772	-	\$ 577,847

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2022

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2021	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2022			MEMO		
										(ACCTS. RECEIV.)	INTERFUND PAYABLE/ DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.	
State Department of Education															
General Fund:															
Equalization Aid	22-495-034-5122-078	7/1/21-6/30/22	\$ 1,937,994			\$ 1,937,994	\$ (1,937,994)								
School Choice Aid	22-495-034-5122-068	7/1/21-6/30/22	174,180			174,180	(174,180)							*	\$ 189,420 \$ 1,937,994
Transportation Aid	22-495-034-5122-014	7/1/21-6/30/22	157,585			157,585	(157,585)							*	17,025 174,180
Special Education Aid	22-495-034-5122-089	7/1/21-6/30/22	271,037			271,037	(271,037)							*	15,402 157,585
Security Aid	22-495-034-5122-084	7/1/21-6/30/22	35,263			35,263	(35,263)							*	26,491 271,037
Non-Public Transportation Aid	21-100-034-5122-068	7/1/20-6/30/21	580	\$ (580)		580								*	3,447 35,263
Extraordinary Aid	22-495-034-5122-044	7/1/21-6/30/22	158,881	(105,468)	105,468		(158,881)			\$ (158,881)				*	
On Behalf TPAF Pension	22-495-034-5094-002	7/1/21-6/30/22	851,882			851,882	(851,882)							*	158,881 158,881
On Behalf TPAF Pension PMR	22-495-034-5094-001	7/1/21-6/30/22	199,034			199,034	(199,034)							*	851,882 851,882
On Behalf TPAF Pension LTD Ins	22-495-034-5094-004	7/1/21-6/30/22	217			217	(217)							*	199,034 199,034
Reimbursed TPAF Soc.Secur.Contrib.	22-495-034-5094-003	7/1/21-6/30/22	156,782	(7,448)		163,424	(156,782)				(806)			*	217 217
Total General Fund				(113,496)		3,896,664	(3,942,855)				(159,687)			*	156,782 156,782
Special Revenue Fund:															
Local Efficiency Achievement Program (LEAP) Grant	Not Available	7/1/22-6/30/22	33,000				(30,000)				(30,000)			*	251,785 3,942,855
Total Special Revenue Fund				-	-	-	(30,000)	-	-	-	(30,000)	-	-	*	30,000 30,000
State Department of Agriculture:															
Enterprise Fund:															
Nat.School Lunch Prog.(State Share)	21-100-010-3350-023	7/1/20-6/30/21		(376)		376								*	
Nat.School Lunch Prog.(State Share)	22-100-010-3350-023	7/1/22-6/30/22	3,651			3,495	(3,651)				(156)			*	3,651 3,651
Total Enterprise Fund				(376)		3,871	(3,651)				(156)			*	3,651 3,651
Total State Financial Assistance				\$ (113,872)	-	\$ 3,900,535	\$ (3,976,506)	-	-	\$ (189,843)	-	-	-	*	\$ 251,785 \$ 3,976,506
Less On-behalf TPAF Pension Amounts :															
On Behalf TPAF Pension	22-495-034-5094-002						851,882								
On Behalf TPAF Pension PMR	22-495-034-5094-001						199,034								
On Behalf TPAF Pension LTD Ins	22-495-034-5094-004						217								
Total State Expenditures Subject to Major Program Determination							\$ (2,925,373)								

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

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2022

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$19,740 for the general fund and (\$1,944) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2022

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 6,167	\$ 3,962,595	\$ 3,968,762
Special Revenue Fund	411,019	30,000	441,019
Food Service Fund	<u>164,738</u>	<u>3,651</u>	<u>168,389</u>
Total Financial Assistance	<u>\$ 581,924</u>	<u>\$ 3,996,246</u>	<u>\$ 4,578,170</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

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

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

Federal Awards

Not Applicable

Internal control over major programs:

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

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

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

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

Identification of major programs:

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

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

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Financial Assistance Section

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

Auditee qualified as low-risk auditee? x yes no

Internal Control over major programs:
1) Material weakness(es) identified? yes x no

2) Were significant deficiencies identified that were not considered to be material weaknesses? yes x none

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable? yes x no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

22-495-034-5122-078
22-495-034-5122-068
22-495-034-5122-089
22-495-034-5122-084

State Aid Cluster:
Equalization Aid
School Choice Aid
Special Education Aid
Security Aid

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

Financial Statement N/A

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and NJOMB Circular Letter 15-08, as applicable.

Federal Awards N/A

State Awards N/A

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

STATUS OF PRIOR YEAR FINDINGS

N/A

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