

WALL TOWNSHIP BOARD OF EDUCATION

Wall, New Jersey 07719

County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
WALL TOWNSHIP BOARD OF EDUCATION
WALL, NEW JERSEY 07719**



YEAR ENDED JUNE 30, 2022

**PREPARED BY THE WALL TOWNSHIP BOARD OF EDUCATION
BUSINESS OFFICE
BRIAN J. SMYTH
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

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TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

(First Section)

Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	7
Consultants and Advisors	9
Certificate of Excellence	11

FINANCIAL SECTION

(Second Section)

Independent Auditor's Report	15
------------------------------	----

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis	21
--------------------------------------	----

BASIC FINANCIAL STATEMENTS

A. Government-wide Financial Statements:

A-1 Statement of Net Position	33
A-2 Statement of Activities	34

B. Fund Financial Statements:

B-1 Balance Sheet	39
B-2 Statement of Revenues, Expenditures & Changes in Fund Balances	40
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Changes in Net Position	41
Proprietary Funds:	
B-4 Statement of Net Position	45
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	46
B-6 Statement of Cash Flows	47
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A

Notes to Financial Statements	53
-------------------------------	----

REQUIRED SUPPLEMENTARY INFORMATION – PART II

C. Budgetary Comparison Schedules

C-1 Budgetary Comparison Schedule – General Fund	95
C-2 Budgetary Comparison Schedule – Special Revenue Fund	104

Notes to the Required Supplementary Information - Part II

C-3 Budget-to-GAAP Reconciliation	107
-----------------------------------	-----

REQUIRED SUPPLEMENTARY INFORMATION – PART III

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

L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	113
L-2 Schedule of the District Contributions	114
L-3 Schedule of the State's Proportionate Share of the Net Pension Liability - TPAF	115

TABLE OF CONTENTS

PAGE

M.	Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1	Schedule of Changes in the Net OPEB Liability and Related Ratios - OPEB	119
	Notes to the Required Supplementary Information - Part III	123

OTHER SUPPLEMENTARY INFORMATION

D.	School Based Budget Schedules Fund (if applicable):	
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues & Expenditures - Special Revenue Fund – Budgetary Basis	131
E-2	Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F.	Capital Projects Fund:	
F-1	Summary Schedule of Project Expenditures	N/A
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	N/A
F-2a	Schedule of Project Revenues, Expenditures, Project Balance and Project Balance - Budgetary Basis	N/A
G.	Proprietary Funds:	
	Enterprise Fund:	
G-1	Combining Schedule of Net Position	N/A
G-2	Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position	N/A
G-3	Combining Schedule of Cash Flows	N/A
	Internal Service Fund –	
G-4	Combining Schedule of Net Position	N/A
G-5	Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6	Combining Schedule of Cash Flows	N/A
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
H-3	Student Activity Agency Fund - Schedule of Receipts & Disbursements	N/A
H-4	Payroll Agency Fund Schedule of Receipts & Disbursements	N/A

TABLE OF CONTENTS

PAGE

I.	Long-Term Debt:		
	I-1	Schedule of Serial Bonds	141
	I-2	Schedule of Obligations Under Financed Purchases	142
	I-3	Debt Service Fund - Budgetary Comparison Schedule	143
	I-4	Schedule of Early Retirement Incentive Plan Loans Payable	N/A

STATISTICAL SECTION (unaudited)

(Third Section)

Financial Trends:			
	J-1	Net Position by Component	149
	J-2	Changes in Net Position	150
	J-3	Fund Balances – Governmental Funds	152
	J-4	Changes in Fund Balances – Governmental Funds	153
	J-5	General Fund - Other Local Revenue by Source	154
Revenue Capacity:			
	J-6	Assessed Value & Estimated Actual Value of Taxable Property	157
	J-7	Direct & Overlapping Property Tax Rates	158
	J-8	Principal Property Taxpayers	159
	J-9	Property Tax Levies & Collections	160
Debt Capacity:			
	J-10	Ratios of Outstanding Debt by Type	163
	J-11	Ratios of General Bonded Debt Outstanding	164
	J-12	Direct & Overlapping Governmental Activities Debt	165
	J-13	Legal Debt Margin Information	166
Demographic & Economic Information:			
	J-14	Demographic & Economic Statistics	169
	J-15	Principal Employers	170
Operating Information:			
	J-16	Full-Time Equivalent District Employees by Function/Program	173
	J-17	Operating Statistics	174
	J-18	School Building Information	175
	J-19	Schedule of Required Maintenance	177
	J-20	Insurance Schedule	178

SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards		181
K-2	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with Uniform Guidance and New Jersey OMB Circular Letter 15-08		183
K-3	Schedule of Expenditures of Federal Awards, Schedule A		187
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B		189
K-5	Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance		191
K-6	Schedule of Findings and Questioned Costs		193
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management		197

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INTRODUCTORY SECTION

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**WALL TOWNSHIP PUBLIC SCHOOLS
OFFICE OF THE BUSINESS ADMINISTRATOR/BOARD SECRETARY
PO Box 1199
Wall, New Jersey 07719-1199**

**Brian J. Smyth
Business Administrator/Board Secretary**

**Phone: 732-556-2016
FAX: 732-556-2102**

March 17, 2023

Honorable President and
Members Of the Board of
Education
Citizens of the Township of Wall
Wall Township Public School District
County of Monmouth
Wall, NJ 07719

Dear Board Members and Citizens of the Township of Wall:

The Annual Comprehensive Financial Report of the Wall Township Public School District (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 Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2022, and the respective changes in financial position and cash flows, where applicable, for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organizational chart, a roster of officials, the list of independent auditors, and advisors. The financial section includes management's discussion and analysis (presented immediately after the report of independent auditors), basic financial statements, required supplementary information, and other supplementary information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The district is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts, and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report

1. Reporting Entity and its Service

The Wall Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14, amended by GASB Statements No. 39, 61, and 80. All funds of the District are included in this report. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and special education students. In addition, services are provided for pre-school handicapped special needs students. The Wall Township Public School District is comprised of five elementary schools, one middle school and one high school. The District student count at October 15, 2021 was 3,233.

2. Economic Condition and Outlook

The Wall Township area continues to experience limited residential development and turnover, which results in enrollment declining on a consistent basis, however, development projects, as part of the town's affordable housing plan, have been initiated and the district is monitoring recent approvals for future planning. The district had an increase in state aid for 2021-22 and it is anticipated that this source of revenue will remain consistent. Township ratables continue to increase annually effectively reducing the annual impact on individual taxpayers due to the annual tax levy increase.

3. Long-Term Financial Planning/Major Initiatives

The 2021-22 budget increased by 3.67% when compared to the prior year budget with the Operating Budget totaling \$79,040,000. The increase in overall budget was mostly due to an increase in the amount budgeted for capital expenditures. The 2021-22 budget included capital expenditures in the amount of \$2,336,320 for equipment and facility improvement projects, up from \$1,084,240 in the prior year.

4. Internal Controls

Management of the District is responsible for establishing and maintaining internal controls that are 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 accounting principles generally accepted in the United States of America (GAAP) as they pertain to governmental entities. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of internal controls, including that portion related to federal and state financial assistance programs, as well as evaluate whether the District has complied with the applicable laws and regulations relating to its major programs.

5. Budgetary Controls and Process

In addition to internal controls, the District maintains budgetary controls. The legal level of budgetary control is established at the line item accounts within each fund. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as an assignment of fund balance at June 30, 2022.

Beginning with the 2012-2013 budget, the state of New Jersey allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers. The Wall Township Board of Education elected to eliminate the budget vote at that time. In addition to the 2% limit on tax levy increases, there are restrictions on budget transfers during the year that can be made without NJDOE approval.

6. Financial Policies

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

7. Accounting System and Reports

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

8. Debt Administration

Under the provisions of New Jersey statutes, school districts may not incur indebtedness greater than 4% of the average equalized valuation of taxable property. At June 30, 2022 the District's outstanding debt issues are below the legal debt margin and are summarized in the "Notes to the Basic Financial Statements".

It is noted that the Wall Township Public School District continued to maintain its Moody's Investors Services Aa3 rating. Moody's most recent rating report states "The affirmation incorporates the District's improved financial condition following three years of structurally balanced operations despite a statutory two percent tax levy cap and state aid reductions." Moody's believes the District will maintain its satisfactory financial position given the trend of structurally balanced operations that improved liquidity and reserves due to conservative budgeting practices.

The district refunded 2005, 2006, and 2007 Series Bonds in March of 2015. The 2015 Refunding Bonds (2015 Series Bonds) were priced on March 25, 2015. The par amount of the bonds was \$17,515,000 and the net interest rate of the bonds was 1.98%. The total debt service savings will be approximately \$1,838,000 translating to an average savings of \$200,000 annually through June 30, 2024. Standard & Poor's Ratings Service assigned its 'AA' long-term rating and stable outlook to the 2015 bonds and affirmed its 'AA' rating and stable outlook on the district's existing debt.

The district is scheduled to pay off all existing debt in the 2023-24 school year, and in the 2021-22 School Year, continued the plan for a capital improvement bond referendum during the 2022-23 school year to incur new debt to replace the expiring debt.

9. Other Information

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements and combining individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in The Single Audit section of this report.

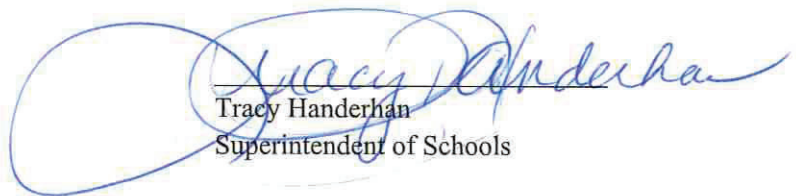
Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A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

10. Acknowledgments

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



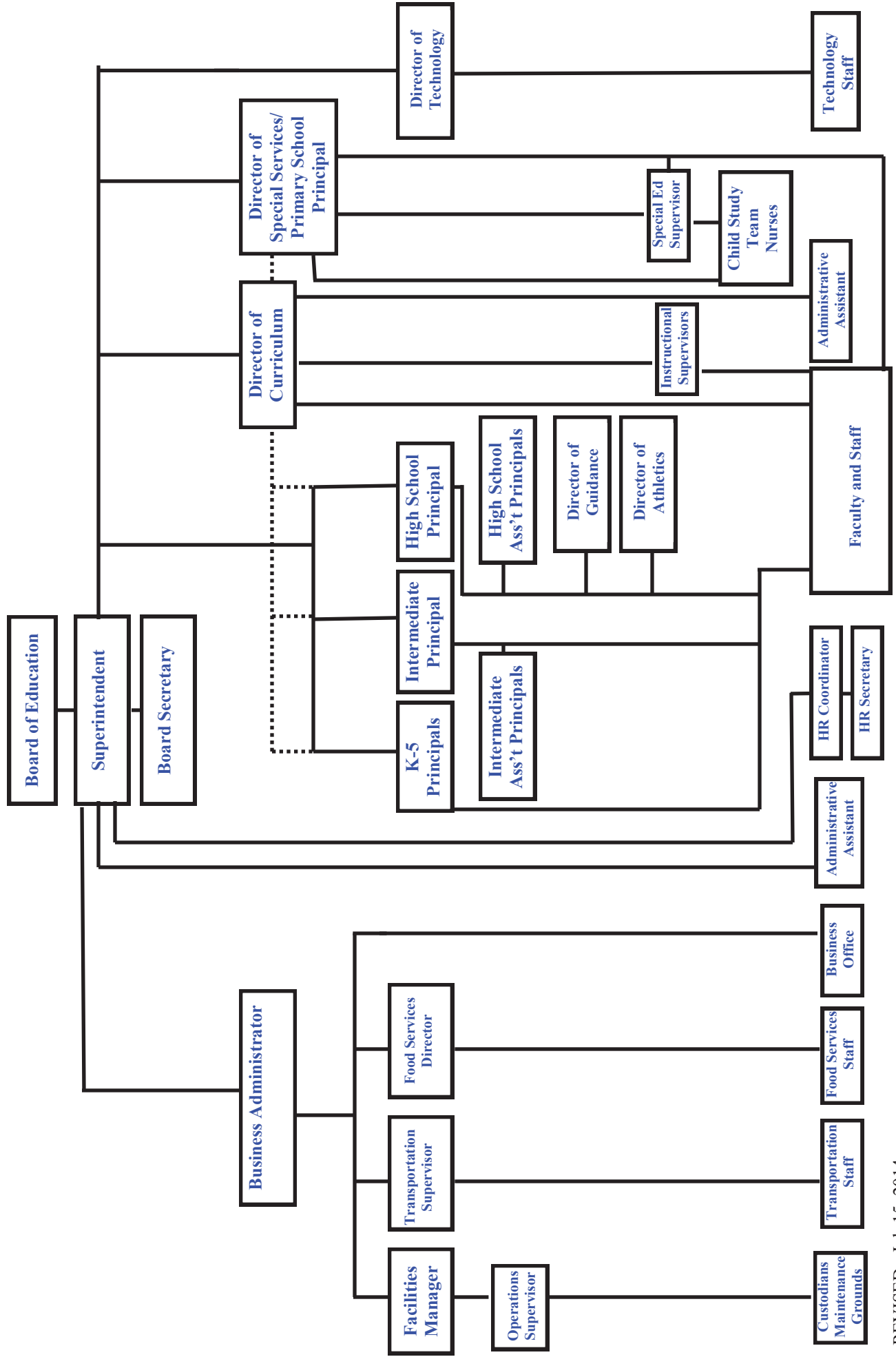
Brian J. Smyth
Business Administrator



Tracy Handerhan
Superintendent of Schools

Wall Township Public Schools

Organizational Chart



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**WALL TOWNSHIP BOARD OF EDUCATION
WALL, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2022**

<u>Members of the Board of Education</u>	TERM EXPIRES
Ralph Addonizio, President	December 2022
Adam Nasr, Vice President	December 2024
James Maliff	December 2022
Joseph Hall	December 2022
Kristen Hodnett	December 2023
Christopher San Filippo	December 2023
Thomas Buffa	December 2022
Christine Steitz	December 2024
Kenneth Wondrack	December 2023
 <u>Other Officials</u>	
Dr. Tracy Handerhan, Superintendent of Schools	June 2023
Brian Smyth, School Business Administrator/Board Secretary	
Pablo Canela, Treasurer	
Sciarillo, Cornell, Merlino, McKeever, & Osborne, Board Attorney	

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**WALL TOWNSHIP BOARD OF EDUCATION
WALL, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2022**

AUDITOR/AUDIT FIRM

Matthew Holman, CPA, PSA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, New Jersey 08701

ATTORNEY

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Westfield, New Jersey 07090

OFFICIAL DEPOSITORY

Provident Bank
2015 NJ-35
Wall Township, New Jersey 07719

FINANCIAL ADVISOR

Phoenix Advisors
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Bordentown, New Jersey 08505

HEALTH BENEFIT INSURANCE BROKER

Brown & Brown Metro, Inc.
56 Livingston Avenue
P.O. Box 369
Roseland, New Jersey 07068-0369

PROPERTY & CASUALTY INSURANCE BROKER

Brown & Brown Metro, Inc.
56 Livingston Avenue
P.O. Box 369
Roseland, New Jersey 07068-0369

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Wall Township Public School District

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

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FINANCIAL SECTION

Second Section

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Wall Township School District
County of Monmouth
Wall, New Jersey 07719

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Wall Township School District, County of Monmouth, 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 School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District 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; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District 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.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2022 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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; this includes the design, implementation, and maintenance of internal controls 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 School 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.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

In connection with 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 March 17, 2023 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman
Certified Public Accountant
Public School Accountant, #20CS00260100

Lakewood, New Jersey
March 17, 2023

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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WALL TOWNSHIP BOARD OF EDUCATION

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2022

This section of the Wall Township Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2021-2022) and the prior fiscal year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- In total, net position of governmental activities increased \$5,133,480, which represents a 29.36% increase from fiscal year 2021. Total net position of business-type activities increased \$507,429, which represents a 200.93% increase from fiscal year 2021.
- General revenues accounted for \$77,346,506 in revenue or 76.30% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$24,022,224 or 23.70% of total revenues of \$101,368,730.
- Total assets of governmental activities decreased by \$106,494 as cash and cash equivalents and restricted cash decreased by \$517,379, receivables increased by \$510,194, and total capital assets decreased by \$99,309.
- Total liabilities of governmental activities decreased by \$7,080,097 as accounts payable increased by \$637,477 and non-current liabilities decreased by \$8,167,751.
- The District had \$93,849,648 in governmental activity expenses; only \$20,648,870 of these expenses were offset by program specific grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$77,346,506 were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$5,133,480.
- In the governmental funds, the general fund had \$93,421,403 in revenues, \$95,349,389 in expenditures, and net financing sources (uses) of \$816,002. The general fund's fund balance decreased by \$1,111,984 over fiscal year 2021.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Wall Township Board of Education as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund, Before and After School Programs, and Chromebook Fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs.

Under the guidance of the *Governmental Accounting Standards Board* Statement No. 84, the District has reclassified the Fiduciary Funds maintained in the preceding period and now maintains no fiduciary funds.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2022 and 2021, respectively:

**Net Position
June 30, 2022**

	Governmental Activities		Business-Type Activities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets				
Current and Other				
Assets	\$ 17,440,648	\$ 17,447,833	\$ 752,395	\$ 300,977
Capital Assets, Net	38,564,797	38,664,106	34,773	51,888
Total Assets	<u>56,005,445</u>	<u>56,111,939</u>	<u>787,168</u>	<u>352,865</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	2,040,962	3,505,434	-	-
Deferred Charges on Refunding of Debt	38,972	69,038	-	-
Total				
Deferred Outflows of Resources	<u>2,079,934</u>	<u>3,574,472</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities	21,877,510	30,045,261	-	-
Other Liabilities	4,280,568	3,192,914	27,195	100,321
Total Liabilities	<u>26,158,078</u>	<u>33,238,175</u>	<u>27,195</u>	<u>100,321</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	9,308,905	893,320	-	-
Total				
Deferred Inflows of Resources	<u>9,308,905</u>	<u>893,320</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	32,742,346	29,941,361	34,773	51,888
Restricted	8,316,445	8,988,536	-	-
Unrestricted	(18,440,395)	(21,444,981)	725,200	200,656
Total Net Position	<u>\$ 22,618,396</u>	<u>\$ 17,484,916</u>	<u>\$ 759,973</u>	<u>\$ 252,544</u>

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Net Investment in Capital Assets represents resources that are subject to external restrictions on how they may be used. Within this category, the investment amount of \$32,742,346 represents primarily the capital investment. The Net Investment in Capital Assets, also includes the portion of capital assets not yet fully depreciated at June 30, 2022.

Restricted net position decreased \$672,091 from the prior year to \$8,316,445 at June 30, 2022.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$18,440,395) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2022 and 2021. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<u>June 30, 2022</u>		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ 989,434	\$ 816,394	\$ 1,805,828
Operating Grants and Contributions	20,648,870	1,567,526	22,216,396
General Revenues:			
Property Taxes	71,461,986	-	71,461,986
Federal and State Aid	5,607,415	-	5,607,415
Miscellaneous	275,423	1,682	277,105
Total Revenues	<u>98,983,128</u>	<u>2,385,602</u>	<u>101,368,730</u>
Expenses:			
Instructional Services	56,431,661	-	56,431,661
Support Services	37,296,734	1,878,173	39,174,907
Interest and Other Charges	121,253	-	121,253
Total Expenses	<u>93,849,648</u>	<u>1,878,173</u>	<u>95,727,821</u>
Change in Net Position	5,133,480	507,429	5,640,909
Net Position, Beginning	17,484,916	252,544	17,737,460
Net Position, Ending	<u>\$ 22,618,396</u>	<u>\$ 759,973</u>	<u>\$ 23,378,369</u>

	<u>June 30, 2021</u>		
	Governmental	Business-Type	Total
	<u>Activities</u>	<u>Activities</u>	
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 277,503	\$ 277,503
Operating Grants and Contributions	26,958,831	1,207,553	28,166,384
General Revenues:			
Property Taxes	70,138,194	-	70,138,194
Federal and State Aid	5,985,810	-	5,985,810
Miscellaneous	1,146,839	890	1,147,729
Total Revenues	<u>104,229,674</u>	<u>1,485,946</u>	<u>105,715,620</u>
Expenses:			
Instructional Services	64,565,270	-	64,565,270
Support Services	32,375,256	1,420,724	33,795,980
Interest and Other Charges	204,409	-	204,409
Total Expenses	<u>97,144,935</u>	<u>1,420,724</u>	<u>98,565,659</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>7,084,739</u>	<u>65,222</u>	<u>7,149,961</u>
Other Financing Sources (Uses):			
Transfers In (Out)	<u>(49,090)</u>	<u>49,090</u>	<u>-</u>
Change in Net Position	7,035,649	114,312	7,149,961
Net Position, Beginning	10,449,267	138,232	10,587,499
Net Position, Ending	<u>\$ 17,484,916</u>	<u>\$ 252,544</u>	<u>\$ 17,737,460</u>

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2022 and 2021 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2022</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Local Tax Levy	\$ 71,461,986	71.82%	\$ 1,323,792	1.89%
Tuition Charges	989,434	0.99%	62,263	6.72%
Miscellaneous	747,078	0.75%	243,231	48.27%
State Sources	23,811,993	23.93%	4,275,215	21.88%
Federal Sources	2,487,216	2.50%	847,148	51.65%
Total	\$ 99,497,707	100.00%	\$ 6,751,649	7.28%

	<u>June 30, 2021</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Local Tax Levy	\$ 70,138,194	75.62%	\$ 1,823,917	2.67%
Tuition Charges	927,171	1.00%	(208,165)	-18.34%
Miscellaneous	503,847	0.54%	124,464	32.81%
State Sources	19,536,778	21.06%	2,432,419	14.22%
Federal Sources	1,640,068	1.77%	37,490	2.34%
Total	\$ 92,746,058	100.00%	\$ 4,210,125	4.76%

The Increase in the local tax levy increase necessary to support the District's 2021 - 2022 general fund budget. Tuition charges increased in 2021 - 2022 due to an increase in the number of students received from other districts into the District's programs.

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2022 and 2021 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

	<u>June 30, 2022</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 36,971,627	36.47%	\$ 985,936	2.74%
Undistributed	59,219,894	58.42%	10,697,735	22.05%
Capital Outlay	2,085,684	2.06%	490,342	30.74%
Debt Service:				
Principal	2,755,000	2.72%	95,000	3.57%
Interest	332,738	0.33%	(125,320)	-27.36%
Total	\$ 101,364,943	100.00%	\$ 12,143,693	13.61%

June 30, 2021

	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 35,985,691	40.33%	\$ 1,320,689	3.81%
Undistributed	48,522,159	54.38%	2,181,768	4.71%
Capital Outlay	1,595,342	1.79%	(2,375,548)	-59.82%
Debt Service:				
Principal	2,660,000	2.98%	135,000	5.35%
Interest	458,058	0.51%	(115,699)	-20.17%
Total	\$ 89,221,250	100.00%	\$ 1,146,210	1.30%

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2021-2022 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2021-2022 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2021-2022 unassigned fund balance increased by \$1,730,475 to \$3,494,778 (4% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of \$426,125 in 2021-2022 as compared to a change in net position of \$113,598 in 2020-2021. Operating revenues increased by 1,038.29% in 2021-2022 while operating expenses increased 39.10%. The food service incurred an operating loss of (\$1,142,676) in 2021-2022, as compared to an operating loss of (\$1,096,464) in 2020-2021. Funding from the State and Federal Government under the State and National Programs increased \$367,176 from 2020-2021 to 2021-2022. The unrestricted net position of the food service program was \$563,348 and the restricted amount of Net Investment in Capital Assets totaled \$34,773 at June 30, 2022. Although the food service operation operating income is still a loss, the district has recognized an increase in Net Position in the current year due to nonoperating revenues. The District continues to consult with a food service advisor and maintains that the operating income will be profitable in the foreseeable future.

The Before and After School Programs Fund showed a change in net position of \$80,833 in 2021-2022 as compared to a change in net position of \$0 in 2020-2021. Operating revenues increased by 60% in 2021-2022 while operating expenses increased 5.09%. The Before and After School Program incurred an operating income of \$80,567 in 2021-2022, as compared to an operating loss of (\$49,288) in 2020-2021.

The Chromebook Enterprise Fund showed a change in net position of \$471 in 2021-2022. Operating revenues decreased by 34.03% in 2021-2022 while the fund has not incurred any operational expenses. The Chromebook Enterprise Fund incurred operating income of \$471 in 2021-2022, as compared to operating income of \$531 in 2020-2021.

Capital Assets

At June 30, 2022 the District has capital assets of \$38,599,570 net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2022</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 534,652	\$ -
Land Improvements	34,474,751	-
Buildings/Construction	226,442	-
Machinery and Equipment	3,328,952	34,773
Total	<u>\$ 38,564,797</u>	<u>\$ 34,773</u>

	<u>June 30, 2021</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 534,652	\$ -
Land Improvements	251,542	-
Buildings/Construction	34,948,530	-
Machinery and Equipment	2,929,382	51,888
Total	<u>\$ 38,664,106</u>	<u>\$ 51,888</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2022, the District's outstanding debt issues included \$285,000 and \$4,780,000 respectively of general obligation bonds (2012 pension refunding bonds, and 2015 refunding bonds), \$0, \$83,880, \$215,633 and \$542,502 respectively of financed purchases (2017 School Buses, 2019 School Buses, 2020 School Buses and 2022 School Buses) and \$1,495,648 in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2022-2023 budget will be adequate to satisfy all 2022-2023 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- At this time it appears that it will be a challenge to sustain the level of surplus utilization the District has used in funding budgets in recent years. The excess surplus available for use in the 2022-2023 budget is \$-0-.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2022-2023.

Requests for Information

This financial report is designed to provide a general overview of the Wall Township School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Wall Township Board of Education, 1620 18th Avenue, Wall, NJ 07719.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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**WALL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2022**

	GOVERNMENTAL		BUSINESS-TYPE	
	ACTIVITIES	ACTIVITIES	TOTAL	
ASSETS:				
Cash & Cash Equivalents	\$ 7,726,006	\$ 662,072	\$	8,388,078
Receivables, Net (Note 4)	1,782,231	89,452		1,871,683
Inventory	-	871		871
Cash Held with Fiscal Agents	217,505	-		217,505
Restricted Cash & Cash Equivalents	7,714,906	-		7,714,906
Capital Assets, Net (Note 5)				
Non-Depreciable	534,652	-		534,652
Depreciable	38,030,145	34,773		38,064,918
Total Assets	56,005,445	787,168		56,792,613
DEFERRED OUTFLOWS OF RESOURCES:				
Related to Pensions (Note 8)	2,040,962	-		2,040,962
Related to Loss on Debt Refunding	38,972	-		38,972
Total Deferred Outflow of Resources	2,079,934	-		2,079,934
LIABILITIES:				
Accounts Payable	1,510,122	33,781		1,543,903
Due to Other Governments	1,536,217	-		1,536,217
Unearned Revenue	44,235	34,704		78,939
Accrued Interest	132,772	-		132,772
Payroll Deductions & Withholdings	2,331	-		2,331
Unemployment Liability	157,296	-		157,296
Internal Balances	41,290	(41,290)		-
Other Current Liabilities	856,305	-		856,305
Noncurrent Liabilities (Note 7):				
Due Within One Year	3,151,083	-		3,151,083
Due in More Than One Year	18,726,427	-		18,726,427
Total Liabilities	26,158,078	27,195		26,185,273
DEFERRED INFLOWS OF RESOURCES:				
Related to Pensions (Note 8)	9,308,905	-		9,308,905
Total Deferred Inflow of Resources	9,308,905	-		9,308,905
NET POSITION:				
Net Investment in Capital Assets	32,742,346	34,773		32,777,119
Restricted for:				
Capital Projects	4,893,128	-		4,893,128
Emergency Reserve	790,400	-		790,400
Maintenance Reserve	2,031,378	-		2,031,378
Unemployment Reserves	283,798	-		283,798
Scholarship Reserve	30,825	-		30,825
Student Activities Reserve	286,916	-		286,916
Unrestricted (Deficit)	(18,440,395)	725,200		(17,715,195)
Total Net Position	\$ 22,618,396	\$ 759,973	\$	23,378,369

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

WALL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE)/REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 36,105,223	\$ 989,434	\$ 9,688,674	\$ (25,427,115)	\$ -	\$ (25,427,115)
Special Education Instruction	16,199,835	-	3,543,171	(12,656,664)	-	(12,656,664)
Vocational Education	783,627	-	99,321	(684,306)	-	(684,306)
Other Instruction	1,648,927	-	360,648	(1,288,279)	-	(1,288,279)
School Sponsored Co-curricular/Athletics	1,694,050	-	214,712	(1,479,338)	-	(1,479,338)
Support Services:						
Student & Instruction Related Services	11,650,811	-	1,476,679	(10,174,132)	-	(10,174,132)
General Administrative	1,658,063	-	210,151	(1,447,912)	-	(1,447,912)
School Administrative Services	4,358,621	-	1,756,910	(2,601,711)	-	(2,601,711)
Central Services	1,150,185	-	145,780	(1,004,405)	-	(1,004,405)
Administrative Info. Technology	930,397	-	117,923	(812,474)	-	(812,474)
Plant Operations & Maintenance	9,815,648	-	1,298,299	(8,517,349)	-	(8,517,349)
Pupil Transportation	7,733,009	-	980,118	(6,752,891)	-	(6,752,891)
Interest & Other Charges	121,253	-	756,485	635,232	-	635,232
Total Governmental Activities	93,849,648	989,434	20,648,870	(72,211,344)	-	(72,211,344)
Business-Type Activities:						
Food Service	1,575,238	432,562	1,567,526	-	424,850	424,850
Before and After School Programs	302,935	383,502	-	-	80,567	80,567
Chrome Books	-	330	-	-	330	330
Total Business-Type Activities	1,878,173	816,394	1,567,526	-	505,747	505,747
Total Primary Government	\$ 95,727,821	\$ 1,805,828	\$ 22,216,396	(72,211,344)	505,747	(71,705,597)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				69,138,513	-	69,138,513
Property Taxes, Levied for Debt Service				2,323,473	-	2,323,473
Federal & State Aid Not Restricted				5,607,415	-	5,607,415
Miscellaneous				275,423	1,682	277,105
Total General Revenues				77,344,824	1,682	77,346,506
Change In Net Position				5,133,480	507,429	5,640,909
Net Position - Beginning				17,484,916	252,544	17,737,460
Net Position - Ending				\$ 22,618,396	\$ 759,973	\$ 23,378,369

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

B. Fund Financial Statements

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Governmental Funds

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**WALL TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	
ASSETS				
Cash & Cash Equivalents	\$ 7,421,239	\$ -	\$ 320,000	\$ 7,741,239
Cash Held with Fiscal Agents	217,505	-	-	217,505
Receivables, Net:				
Due from Other Governments:				
Federal	13,918	450,878	-	464,796
State	1,169,789	-	-	1,169,789
Local	-	24,627	-	24,627
Other Receivables	93,266	29,753	-	123,019
Restricted Cash & Cash Equivalents	7,714,906	-	-	7,714,906
Total Assets	\$ 16,630,623	\$ 505,258	\$ 320,000	\$ 17,455,881
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ 15,233	\$ -	\$ 15,233
Accounts Payable	1,047,591	142,531	320,000	1,510,122
Intergovernmental Payable:				
State	-	29,753	-	29,753
Interfund Payable	41,290	-	-	41,290
Unearned Revenue	44,235	-	-	44,235
Other Current Liabilities	856,305	-	-	856,305
Payroll Deductions & Withholdings	2,331	-	-	2,331
Unemployment Liability	157,296	-	-	157,296
Total Liabilities	2,149,048	187,517	320,000	2,656,565
Fund Balances:				
Restricted for:				
Capital Reserve	4,893,128	-	-	4,893,128
Maintenance Reserve	2,031,378	-	-	2,031,378
Emergency Reserve	790,400	-	-	790,400
Unemployment Reserve	283,798	-	-	283,798
Scholarship Reserve	-	30,825	-	30,825
Student Activities Reserve	-	286,916	-	286,916
Assigned to:				
Other Purposes	1,871,269	-	-	1,871,269
Designated for Subsequent Year's Expenditures	1,558,097	-	-	1,558,097
Unassigned	3,053,505	-	-	3,053,505
Total Fund Balances	14,481,575	317,741	-	14,799,316
Total Liabilities & Fund Balances	\$ 16,630,623	\$ 505,258	\$ 320,000	
Amounts reported for <i>governmental activities</i> 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 \$74,377,882 and the accumulated depreciation is \$35,564,797.				38,564,797
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.				
Deferred Outflows Related to Pensions				2,040,962
Deferred Inflows Related to Pensions				(9,308,905)
Deferred Outflow Related to the Loss on Bond Refunding of Debt				38,971
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.				(132,772)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.				(1,506,464)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.				(21,877,510)
Net Position of Governmental Activities				<u>\$ 22,618,395</u>

**WALL TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 69,138,513	\$ -	\$ 2,323,473	\$ 71,461,986
Tuition Charges	989,434	-	-	989,434
Miscellaneous	275,422	471,656	-	747,078
Total Local Sources	70,403,369	471,656	2,323,473	73,198,498
State Sources	22,965,721	89,787	756,485	23,811,993
Federal Sources	52,313	2,434,903	-	2,487,216
Total Revenues	93,421,403	2,996,346	3,079,958	99,497,707
Expenditures:				
Instruction:				
Regular Instruction	21,741,110	1,791,868	-	23,532,978
Special Education Instruction	10,558,869	-	-	10,558,869
Vocational Education	570,885	-	-	570,885
Other Instruction	1,074,752	-	-	1,074,752
School Sponsored CoCurricular/Athletics	1,234,143	-	-	1,234,143
Support Services:				
Attendance & Social Work Services	720,518	-	-	720,518
Health Services	670,474	-	-	670,474
Student & Instruction Related Services	5,953,088	1,143,728	-	7,096,816
General Administrative	1,207,926	-	-	1,207,926
School Administrative Services	3,175,327	-	-	3,175,327
Central Services	837,929	-	-	837,929
Administrative Information Technology	677,809	-	-	677,809
Plant Operations & Maintenance	7,462,499	-	-	7,462,499
Pupil Transportation	5,633,625	-	-	5,633,625
Unallocated Benefits	14,326,352	-	-	14,326,352
On Behalf TPAF Pension and Social Security Contributions	17,410,619	-	-	17,410,619
Capital Outlay	2,085,684	-	-	2,085,684
Debt Service:				
Principal	-	-	2,755,000	2,755,000
Interest & Other Charges	7,780	-	324,958	332,738
Total Expenditures	95,349,389	2,935,596	3,079,958	101,364,943
Excess/(Deficiency) of Revenues Over Expenditures	(1,927,986)	60,750	-	(1,867,236)
Other Financing Sources (Uses):				
Financed Purchases (Non-Budgeted)	816,002	-	-	816,002
Total Other Financing Sources (Uses)	816,002	-	-	816,002
Net Changes in Fund Balances	(1,111,984)	60,750	-	(1,051,234)
Fund Balance, July 1	15,593,559	256,991	-	15,850,550
Fund Balance, June 30	\$ 14,481,575	\$ 317,741	\$ -	\$ 14,799,316

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

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

Total Net Changes in Fund Balances - Governmental Funds (B-2)		\$ (1,051,234)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
	Depreciation Expense	\$ (2,092,371)
	Capital Outlays	<u>1,993,064</u>
		(99,307)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		3,421,251
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		3,275,390
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.		
	Finance Purchase Agreement Proceeds	<u>(816,002)</u>
		(816,002)
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
	Amortization of Premium on Bonds	185,971
	Amortization of Loss on Bond Refunding	<u>(30,064)</u>
		155,907
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		55,578
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>191,897</u>
Change in Net Position of Governmental Activities		<u>\$ 5,133,480</u>

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Proprietary Funds

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**WALL TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	BEFORE AND AFTER SCHOOL PROGRAMS	CHROME BOOKS	TOTALS
ASSETS				
Current Assets:				
Cash & Cash Equivalents	\$ 539,356	\$ 92,701	\$ 30,015	\$ 662,072
Accounts Receivable:				
Federal	87,376	-	-	87,376
State	1,797	-	-	1,797
Other Receivables	-	123	-	123
Allowance for Uncollectible Accounts Receivable	-	156	-	156
Interfund Receivable	-	41,290	-	41,290
Inventories	871	-	-	871
Total Current Assets	<u>629,400</u>	<u>134,270</u>	<u>30,015</u>	<u>793,685</u>
Noncurrent Assets:				
Capital Assets	593,727	-	-	593,727
Less: Accumulated Depreciation	(558,954)	-	-	(558,954)
Total Capital Assets, Net	<u>34,773</u>	<u>-</u>	<u>-</u>	<u>34,773</u>
Total Noncurrent Assets	<u>34,773</u>	<u>-</u>	<u>-</u>	<u>34,773</u>
Total Assets	<u>\$ 664,173</u>	<u>\$ 134,270</u>	<u>\$ 30,015</u>	<u>\$ 828,458</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 31,348	\$ 2,433	\$ -	\$ 33,781
Unearned Revenue	34,704	-	-	34,704
Total Current Liabilities	<u>66,052</u>	<u>2,433</u>	<u>-</u>	<u>68,485</u>
NET POSITION				
Net Investment in Capital Assets	34,773	-	-	34,773
Unrestricted	563,348	131,837	30,015	725,200
Total Net Position	<u>\$ 598,121</u>	<u>\$ 131,837</u>	<u>\$ 30,015</u>	<u>\$ 759,973</u>

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

**WALL TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS			
	BUSINESS-TYPE			
	ACTIVITIES -			
ENTERPRISE				
FUNDS				
	FOOD	BEFORE AND	CHROME	
	SERVICE	AFTER SCHOOL	BOOKS	TOTALS
		PROGRAMS		
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 15,476	\$ -	\$ -	\$ 15,476
Daily Sales - Non-Reimbursable Programs	413,475	-	-	413,475
Program Fees	-	383,502	-	383,502
Miscellaneous	3,611	-	330	3,941
Total Operating Revenues	432,562	383,502	330	816,394
Operating Expenses:				
Cost of Sales - Reimbursable Programs	675,348	-	-	675,348
Cost of Sales - Non Reimbursable	24,546	-	-	24,546
Salaries	575,809	171,355	-	747,164
Employee Benefits	202,276	40,711	-	242,987
Supplies and Materials	72,491	481	-	72,972
Depreciation	17,115	-	-	17,115
Purchased Property Services	-	90,276	-	90,276
Other	7,653	112	-	7,765
Total Operating Expenses	1,575,238	302,935	-	1,878,173
Operating Income/(Loss)	(1,142,676)	80,567	330	(1,061,779)
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	31,224	-	-	31,224
Federal Sources:				
National School Lunch Program	1,329,112	-	-	1,329,112
National School Breakfast Program	127,383	-	-	127,383
Food Distribution Program	67,671	-	-	67,671
Emergency Operational Cost Program	10,894	-	-	10,894
EBT Administrative Cost	1,242	-	-	1,242
Interest Revenue	1,275	266	141	1,682
Total Nonoperating Revenues/(Expenses)	1,568,801	266	141	1,569,208
Change in Net Position	426,125	80,833	471	507,429
Total Net Position - Beginning	171,996	51,004	29,544	252,544
Total Net Position - Ending	598,121	131,837	30,015	759,973

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

**WALL TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS			
	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	FOOD SERVICE	BEFORE AND AFTER SCHOOL PROGRAMS	CHROME BOOKS	TOTALS
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 436,286	\$ 384,203	\$ 330	\$ 820,819
Payments to Employees	(575,809)	-	-	(575,809)
Payments for Employee Benefits	(202,276)	-	-	(202,276)
Payments to Suppliers	(757,448)	(313,412)	-	(1,070,860)
Net Cash Provided by/(Used for) Operating Activities	(1,099,247)	70,791	330	(1,028,126)
Cash Flows From Noncapital Financing Activities:				
State Sources	31,224	-	-	31,224
Federal Sources	1,468,631	-	-	1,468,631
Net Cash Provided by/(Used for) Noncapital Financing Activities	1,499,855	-	-	1,499,855
Cash Flows From Investing Activities:				
Interest	1,275	266	141	1,682
Net Cash Provided by/(Used for) Investing Activities	1,275	266	141	1,682
Net Increase/(Decrease) in Cash & Cash Equivalents	401,883	71,057	471	473,411
Balances - Beginning of Year	137,473	21,644	29,544	188,661
Balances - End of Year	\$ 539,356	\$ 92,701	\$ 30,015	\$ 662,072
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Operating Income/(Loss)	\$ (1,142,676)	\$ 80,567	\$ 330	\$ (1,061,779)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	17,115	-	-	17,115
Food Distribution Program	67,671	-	-	67,671
(Increase)/Decrease in Accounts Receivable, Net	19,200	857	-	20,057
(Increase)/Decrease in Inventories	2,092	-	-	2,092
(Increase)/Decrease in Allowance for Uncollectible Accounts Receivable	-	(156)	-	(156)
Increase/(Decrease) in Interfund Accounts Payable	(53,366)	-	-	(53,366)
Increase/(Decrease) in Unearned Revenue	(15,476)	-	-	(15,476)
Increase/(Decrease) in Accounts Payable	6,193	(10,477)	-	(4,284)
Total Adjustments	43,429	(9,776)	-	33,653
Net Cash Provided/(Used) by Operating Activities	\$ (1,099,247)	\$ 70,791	\$ 330	\$ (1,028,126)

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

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Fiduciary Fund
Not Applicable

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WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grades levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2022 of 3,283 students.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

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

Component Units

GASB Statement No.14, *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2022.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

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

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

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

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

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

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

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 proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially 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 financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Before & After School Programs Fund – The before and after school programs fund accounts for the activities of the School District's before and after school program which provides summer classes to students in preparation for the upcoming school year and other before and after school programs.

Chrome Book Fund – The Chrome Book fund accounts for self-insurance on chrome books loaned out to students.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities* .

The School District has no fiduciary funds.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Budgets/Budgetary Control

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

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

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

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

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

Encumbrances

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts held by fiscal agents and their use is limited by Lease-Purchase Agreements and working capital amounts stipulated by health insurance agreements.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

Description	Governmental Activities Estimated Lives
Land Improvements	15-20 Years
Buildings	40
Building Improvements	20 Years
Heavy Equipment	10-20 Years
Furniture and Equipment	6-10 Years
Computer Equipment	5 Years

Compensated Absences

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

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

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

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

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

Bond Premiums, Discounts and Issuance Costs

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

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

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of net position is 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.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 17, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, *Leases*. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities. Management has determined that they had no leases that qualified.

Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. Management has determined the implementation of these statements did not have a significant impact on the District's financial statements.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the implementation of these statements did not have a significant impact on the District's financial statements.

Statement No. 93, *Replacement of Interbank Offered Rates*. This Statement establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases in addition to identifying appropriate benchmark interest rates for hedging derivative instruments. Requirements of this pronouncement related to paragraph 11b will be effective for reporting periods ending after December 31, 2021, and requirements related to paragraphs 13 and 14 will be effective for fiscal years beginning after June 15, 2021. Management has determined the implementation of these statements did not have a significant impact on the District's financial statements.

Statement No. 98, *The Annual Comprehensive Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Management has implemented this in the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. This statement is effective for reporting periods beginning after June 15, 2022.

Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the School District’s bank balance of \$16,826,690 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	15,016,360
Uninsured and Uncollateralized		1,810,330
Total	\$	16,826,690

Investments

The School District had no investments at June 30, 2022.

Note 3. Reserve Accounts

Capital Reserve

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Reserve Accounts (Continued)

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	\$	5,879,993
Increased by:		
Interest Earnings		4,000
Deposits Approved by Board		660,675
		6,544,668
Decreased by:		
Budget Withdrawals		1,651,540
		1,651,540
Ending Balance, June 30, 2022	\$	4,893,128

Maintenance Reserve

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

Funds placed in the maintenance reserve account are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Beginning Balance, July 1, 2021	\$	1,788,911
Increased by:		
Interest Earnings		500
Deposits Approved by Board		610,467
		610,967
		2,399,878
Decreased by:		
Budget Withdrawals		368,500
		368,500
Ending Balance, June 30, 2022	\$	2,031,378

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Reserve Accounts (Continued)

Emergency Reserve

An emergency reserve account was established by the School District. The accumulation of funds will be used to finance unanticipated General Fund expenditures required for a thorough and efficient education in subsequent fiscal years

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	\$	780,752
Increased by:		
Interest Earnings		500
Deposits Approved by Board		339,148
		1,120,400
Decreased by:		
Budget Withdrawals		330,000
Ending Balance, June 30, 2022	\$	790,400

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to N.J.S.A. 43:21-7.3(g), which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2021	\$	281,889
Increased by:		
Interest Earnings		1,909
Ending Balance, June 30, 2022	\$	283,798

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	General Fund	Special Revenue Fund	
Federal Awards	\$ 13,918	\$ 450,878	\$ 464,796
State Awards	1,169,789	-	1,169,789
Other	93,266	54,380	147,646
Total	\$ 1,276,973	\$ 505,258	\$ 1,782,231

<u>Description</u>	Proprietary Funds		Total Business-Type Activities
	Food Service Fund	Before And After School Programs Fund	
Federal Awards	\$ 87,376	\$ -	\$ 87,376
State Awards	1,797	-	1,797
Other	-	279	279
Total	\$ 89,173	\$ 279	\$ 89,452

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 5. Capital Assets

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

	Governmental Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 534,652	\$ -	\$ -	\$ 534,652
Total Capital Assets not being depreciated	534,652	-	-	534,652
Capital Assets being depreciated:				
Buildings and Building Improvements	58,664,415	972,655	-	59,637,070
Improvements Other Than Buildings	2,280,531	-	-	2,280,531
Machinery and Equipment	10,905,220	1,020,409	-	11,925,629
Total Capital Assets being depreciated	71,850,166	1,993,064	-	73,843,230
Less: Accumulated Depreciation:				
Buildings and Building Improvements	(23,715,885)	(1,446,434)	-	(25,162,319)
Improvements Other Than Buildings	(2,028,990)	(25,099)	-	(2,054,089)
Machinery and Equipment	(7,975,839)	(620,838.00)	-	(8,596,677)
Total Accumulated Depreciation	(33,720,714)	(2,092,371)	-	(35,813,085)
Total Capital Assets being depreciated, net	38,129,452	(99,307)	-	38,030,145
Total Governmental Activities Capital Assets, net	\$ 38,664,104	\$ (99,307)	\$ -	\$ 38,564,797
Business-Type Activities				
	Business-Type Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Business-Type Activities:				
Machinery and Equipment	\$ 593,727	\$ -	\$ -	\$ 593,727
Total Capital Assets being depreciated	593,727	-	-	593,727
Less: Accumulated Depreciation:				
Machinery and Equipment	(541,839)	(17,115)	-	(558,954)
Total Capital Assets being depreciated, net	(541,839)	(17,115)	-	(558,954)
Total Business-Type Activities Capital Assets, net	\$ 51,888	\$ (17,115)	\$ -	\$ 34,773

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 5. Capital Assets (Continued)

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 763,945
Special Education Instruction	342,770
Vocational Education	18,532
Other Instruction	34,889
School Sponsored Cocurricular/Athletics	40,064
Support Services:	
Student & Instruction Related Services	275,537
General Administrative	39,213
School Administrative Services	103,080
Central Services	27,201
Administrative Info. Technology	22,004
Plant Operations & Maintenance	242,253
Pupil Transportation	182,883
Total Depreciation Expense - Governmental Activities	\$ 2,092,371
 <u>Business-Type Activities</u>	
Food Service Fund	\$ 17,115
Total Depreciation Expense - Business-Type Activities	\$ 3,001,657

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2022 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 41,290
Before and After-School Programs	41,290	-
	\$ 41,290	\$ 41,290

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

There were no interfund transfers for the year ended June 30, 2022.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 7,820,000	\$ -	\$ 2,755,000	\$ 5,065,000	\$ 2,655,000
Financed Purchases Payable	546,403	816,002	520,390	842,015	354,307
Unamortized Bond Premiums	425,379	-	185,971	239,408	141,776
Compensated Absences	1,687,545	-	191,897	1,495,648	-
Net Pension Liability	19,565,933	7,483,846	12,814,340	14,235,439	-
	<u>\$ 30,045,260</u>	<u>\$ 8,299,848</u>	<u>\$ 16,467,598</u>	<u>\$ 21,877,510</u>	<u>\$ 3,151,083</u>

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

Bonds Payable

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

During July 2012, the School District issued \$3,790,000 of Pension Refunding Bonds. The Pension Refunding Bonds were issued at an interest rate of 4.202% and matures on July 15, 2027.

During April 2015, the School District issued \$17,515,000 of School Refunding Bonds. The School Refunding Bonds were issued at interest rates varying from 4.000% to 5.000% and matures on July 15, 2023.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations (Continued)

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,655,000	\$ 194,685	\$ 2,849,685
2024	2,410,000	60,250	2,470,250
	\$ 5,065,000	\$ 254,935	\$ 5,319,935

Finance Purchases Payable

The School District has finance purchase agreements for buses and equipment. All finance purchase agreements are for terms of five years. The following is a schedule of the remaining future minimum payments under these finance purchase agreements and the present value of the net minimum payments at June 30, 2022:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ 368,201
2024	281,821
2025	170,000
2026	45,708
Total Minimum Lease Payments	865,730
Less: Amount Representing Interest	(23,715)
Present Value of Minimum Lease Payments	\$ 842,015

Amortization of the financed equipment and improvements under capital assets is included with depreciation expense.

Bonds Authorized but not Issued

As of June 30, 2022, the School District had no bonds authorized but not issued.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$14,235,439 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.120166%, which was an increase of 0.0001837% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension credit of \$1,990,756 in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2021 measurement date. At June 30, 2021 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 224,511	\$ 101,909
Changes of Assumptions	74,138	5,067,908
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	3,749,989
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	235,849	389,099
School District contributions subsequent to measurement date	1,506,464	-
	\$ 2,040,962	\$ 9,308,905

\$1,506,464 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2021-2022 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.11%. The payable is due on April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Year Ending <u>June 30,</u>	
2023	\$ (3,457,165)
2024	(2,387,697)
2025	(1,539,670)
2026	(1,192,367)
2027	(197,508)
	<u>\$ (8,774,407)</u>

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.73
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
Changes in Proportion and Differences between District Contributions		
Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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 assumptions:

Inflation Rate	2.75%
Wage Rate	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%
Mortality Rate of Return	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 19,592,433	\$ 14,235,439	\$ 9,969,801

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
School District's portion	0.12017%	0.11998%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Contributions - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$138,183,353. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.2874317431%, which was a decrease of 0.00079434% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized a pension expense in the amount of \$3,251,515 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2021 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55% - 4.45% Based on Years of Service
Thereafter	2.75% - 5.65% Based on Years of Service
Investment Rate of Return	7.00%

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 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 on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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 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:

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Credit	13.00%	11.30%
Real Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

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 made based on 100% of actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease <u>(6.00%)</u>	At Current Discount Rate <u>(7.00%)</u>	At 1% Increase <u>(8.00%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 163,493,988	\$ 138,183,353	\$ 116,924,010

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,548,228
Collective Deferred Inflows of Resources	27,363,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
State's Proportionate Share associated with the District	0.28823%	0.28823%

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, employee contributions totaled \$72,510, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$39,551.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25%
	based on years of service	based on years of service	based on years of service
Thereafter	2.75 - 5.65%	3.00 - 7.00%	Not Applicable
	based on years of service	based on years of service	

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

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$197,590,017. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.32927470715%, which was an increase of 0.0039866469% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$11,213,576 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Health Care Trend Assumptions

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

Discount Rate

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

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate:

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

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 236,662,065	\$ 197,590,017	\$ 166,807,567
State of New Jersey's Total Nonemployer OPEB Liability	\$ 71,873,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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

The following presents the total nonemployer OPEB liability as of June 30, 2021, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 159,949,596	\$ 197,590,017	\$ 248,138,100
State of New Jersey's Total Nonemployer OPEB	\$ 48,576,338,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ 9,045,886,863	\$ (18,009,362,976)
Change in Assumptions	10,179,536,966	(6,438,261,807)
Contributions Made in Fiscal Year Year Ending 2022 After June 30, 2021 Measurement Date **	TBD	-
	\$ 19,225,423,829	\$ (24,447,624,783)

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

Fiscal Year Ending June 30,	
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	347,612,410
	\$ (5,222,200,954)

** Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

At June 30, 2020, the Program membership consisted of the following:

Active Plan Members	213,901
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	150,427
	364,328

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2020) is as follows:

Total OPEB Liability	
Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Difference Between Expected & Actual Experience	(63,870,842)
Change in Benefit Terms	(11,385,071,658)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	(1,226,213,382)
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	67,809,962,608
Total OPEB Liability (Ending)	\$ 60,007,650,970
Total Covered Employee Payroll	14,425,669,769
Net OPEB Liability as a Percentage of Payroll	416%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for normal costs, post-retirement medical costs, and long-term disability were \$12,142,655, \$2,426,656 and \$4,293, respectively.

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 11. Risk Management

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

Self Health Insurance – The School District has established a health and prescription plan for its employees. The plan was established during the fiscal year ended June 30, 2011. Transactions related to the plan are accounted for in the General Fund. The School District funds the entire cost of the plan. Claims are paid directly by the plan.

Estimates of claims payable and of claims incurred, but not reported (IBNR) at June 30, 2022, are reported as claims and judgments payable and accrued liability for insurance claims, respectively. These estimates were determined based on claim information supplied by the claims administrator and actuary. The unpaid claims liability of \$828,600 reported at June 30, 2022 is based on the requirements of the *Governmental Accounting Standards* Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities for the health insurance plan for the fiscal year ended June 30, 2022 is as follows:

<u>Governmental Activities</u>	<u>Fiscal Year Ended June 30, 2022</u>
Unpaid Claims, Beginning of Year	\$ 613,600
Incurred Claims (including IBNR's)	215,000
Unpaid Claims, End of Fiscal Year	<u>\$ 828,600</u>
General Fund	
Other Current Liabilities	<u>\$ 828,600</u>
	<u>\$ 828,600</u>

Joint Insurance Pool – The School District is a member of the School Excess Liability Joint Insurance Fund (SEL) and Diploma Joint Insurance Fund. The Funds are risk sharing public entity pools, established for the purpose of insuring against worker's compensation claims and various other types of coverage.

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 11. Risk Management (Continued)

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending unemployment claims fund balance and/or unemployment trust liability of the School District for the current year and previous two years.

Fiscal Year	Interest	Contributions	Amount Reimbursed	Ending Balance	
				Unemployment Fund Balance	Unemployment Trust Liability
2022	\$ 1,909	\$ 55,684	\$ 1,548	\$ 283,798	\$ 157,296
2021	-	107,013	1,615	281,889	103,160
2020	-	80,841	69,819	279,651	-

As of June 30, 2022 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated employment claims.

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 13. Deferred Compensation

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

AXA Equitable Security Benefit	Lincoln Financial Life Valic	Met Life
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Note 14. Compensated Absences

The School 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.

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$1,495,648.

Note 15. Tax Abatements

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

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

Note 17. Fund Balances

General Fund – Of the \$14,481,575 General Fund fund balance at June 30, 2022, \$4,893,128 has been restricted for the Capital Reserve Account; \$2,031,378 has been restricted for the Maintenance Reserve Account; \$790,400 has been restricted for the Emergency Reserve Account; \$283,798 has been restricted for Unemployment Claims; \$1,871,269 has been assigned to other purposes; \$1,558,097 has been Designated for Subsequent Year's Expenditures and \$3,053,505 has been unassigned.

Special Revenue Fund – Of the \$317,741 Special Revenue Fund fund balance at June 30, 2022, \$286,916 is restricted for Student Activities and \$30,825 is restricted for Scholarships.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$18,440,395 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments as June 30, 2022 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$1,871,269.

Note 20. Subsequent Events

On December 20, 2022, the School District approved a bond referendum in the amount of \$66,599,208 to fund various capital improvements throughout the district.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
10-1210	\$ 69,138,513	\$ -	\$ 69,138,513	\$ -
10-1310	226,450	-	226,450	19,086
10-1320	720,000	-	720,000	23,898
10-1420	5,550	-	5,550	38,859
10-1510	500	(500)	-	-
10-1511	4,000	(4,000)	-	-
10-1512	500	(500)	-	-
10-1910	120,000	-	120,000	(23,158)
10-1950	304,157	5,000	309,157	(174,986)
Total Local Sources	70,519,670	-	70,519,670	(116,301)
State Sources:				
10-3121	1,204,850	-	1,204,850	-
10-3131	400,000	-	400,000	601,106
10-3132	2,986,911	-	2,986,911	-
10-3177	341,937	-	341,937	-
10-3190	15,061	-	15,061	32,361
10-3256	-	192,395	192,395	(192,395)
Nonbudgeted:				
TPAF - Post Retirement Medical (Noncash Assistance)	-	-	-	2,837,015
TPAF - Pension Contributions (Noncash Assistance)	-	-	-	12,142,655
TPAF - Long-Term Disability Insurance (Noncash Assistance)	-	-	-	4,293
Reimbursed TPAF Social Security Contributions	-	-	-	2,426,656
Total State Sources	4,948,759	192,395	5,141,154	17,851,691
Federal Sources:				
10-4200	56,803	-	56,803	(4,490)
Medicaid Reimbursement	-	-	-	-
Total Federal Sources	56,803	-	56,803	(4,490)
Total Revenues	75,525,232	192,395	75,717,627	17,730,900

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Current Expense:						
Regular Programs - Instruction:						
Kindergarten - Salaries of Teachers	11-110-100-101	965,425	(28,946)	936,479	933,739	2,740
Grades 1-5 - Salaries of Teachers	11-120-100-101	6,712,198	8,387	6,720,585	6,719,971	614
Grades 6-8 - Salaries of Teachers	11-130-100-101	4,708,393	69,443	4,777,836	4,775,495	2,341
Grades 9-12 - Salaries of Teachers	11-140-100-101	7,376,648	(6,131)	7,370,517	7,364,678	5,839
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	145,000	-	144,466	194,466	-
Purchased Professional - Educational Services	11-150-100-320	40,591	32,000	72,591	59,256	13,335
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	46,042	-	46,042	46,041	1
Purchased Professional - Educational Services	11-190-100-320	283,825	(1,023)	282,802	246,331	36,471
Purchased Technical Services	11-190-100-340	171,100	(13,014)	158,086	152,070	6,016
Other Purchased Services	11-190-100-500	116,900	-	116,900	66,121	50,779
General Supplies	11-190-100-610	1,348,646	(129,869)	1,218,777	1,100,250	118,527
Textbooks	11-190-100-640	76,800	1,023	77,823	30,460	47,363
Other Objects	11-190-100-800	1,000	500	1,500	1,190	310
Total Regular Programs - Instruction		21,992,568	(18,164)	21,974,404	21,690,068	284,336
Special Education - Instruction:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	612,210	(34,900)	577,310	576,328	982
Other Salaries for Instruction	11-204-100-106	156,153	(41,102)	115,051	114,753	298
General Supplies	11-204-100-610	55,098	(28,879)	26,219	21,423	4,796
Total Learning and/or Language Disabilities		823,461	(104,881)	718,580	712,504	6,076
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	152,150	-	152,150	149,250	2,900
Other Salaries for Instruction	11-209-100-106	99,510	(41,168)	58,342	58,342	-
General Supplies	11-209-100-610	10,000	-	10,000	5,077	4,923
Total Behavioral Disabilities		261,660	(41,168)	220,492	212,669	7,823
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	398,713	13,745	412,458	412,438	20
Other Salaries for Instruction	11-212-100-106	156,427	9,732	166,159	166,124	35
General Supplies	11-212-100-610	26,000	-	26,000	19,683	6,317
Other Purchased Services	11-212-100-500	700	-	700	119	581
Total Multiple Disabilities		581,840	23,477	605,317	598,364	6,953
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	6,074,067	(99,986)	5,974,081	5,958,119	15,962
Other Salaries	11-213-100-106	733,736	(68,361)	665,375	641,909	23,466
General Supplies	11-213-100-610	38,524	(8,408)	30,116	29,706	410
Total Resource Room/Resource Center		6,846,327	(176,755)	6,669,572	6,629,734	39,838

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	11-215-100-101	275,675	(9,569)	266,106	259,944
Other Salaries for Instruction	11-215-100-106	138,850	9,569	148,419	137,528
General Supplies	11-215-100-610	5,500	-	5,500	3,416
Total Preschool Disabilities - Part-Time		420,025	-	420,025	400,888
Total Special Education - Instruction		8,933,313	(299,327)	8,633,986	8,554,159
Basic Skills/Remedial-Instruction					
Salaries of Teachers	11-230-100-101	935,944	-	935,944	920,705
Total Basic Skills/Remedial-Instruction		935,944	-	935,944	920,705
Bilingual Education-Instruction:					
Salaries of Teachers	11-240-100-101	198,681	305	198,986	153,336
General Supplies	11-240-100-610	2,000	-	2,000	711
Total Bilingual Education-Instruction		200,681	305	200,986	154,047
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:					
Salaries	11-401-100-100	336,057	-	336,057	322,822
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		336,057	-	336,057	322,822
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	659,913	-	659,913	629,298
Purchased Services	11-402-100-500	199,941	-	199,941	190,411
Supplies and Materials	11-402-100-600	99,685	-	99,685	91,612
Total School-Sponsored Athletics - Instruction		959,539	-	959,539	911,321
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Regular	11-000-100-561	-	51,042	51,042	51,042
Tuition to Other LEAs Within State - Special	11-000-100-562	-	114,790	114,790	103,583
Tuition to County Vocational School - Regular	11-000-100-563	540,017	(29,092)	510,925	468,681
Tuition to County Vocational School - Special	11-000-100-564	153,000	(36,720)	116,280	102,204
Tuition to County Special Services & Regular Day Schools	11-000-100-565	285,151	72,664	357,815	356,460
Tuition to Private School Disabled Within State	11-000-100-566	1,831,856	(230,684)	1,601,172	1,544,667
Total Undistributed Expenditures - Instruction (Tuition)		2,810,024	(58,000)	2,752,024	2,626,637
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	40,020	-	40,020	40,020
Salary of Family Liaisons	11-000-211-173	748,325	(60,050)	688,275	680,498
Total Undistributed Expenditures Attendance and Social Work		788,345	(60,050)	728,295	720,518

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	600,076	40,750	640,826	17,001
Purchased Professional & Technical Services	11-000-213-300	15,000	-	15,000	2,000
Other Purchased Services	11-000-213-500	5,765	4,000	9,765	142
Supplies and Materials	11-000-213-600	25,000	-	25,000	974
Total Undistributed Expenditures - Health Services		645,841	44,750	690,591	20,117
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	861,427	5,138	866,565	715
Purchased Professional - Educational Services	11-000-216-320	222,820	6,600	229,420	24,098
Supplies and Materials	11-000-216-600	3,775	-	3,775	1,170
Total Undistributed Expenditures - Speech, OT, PT and Related Services		1,088,022	11,738	1,099,760	25,983
Other Support Services - Students - Extra Services:					
Salaries	11-000-217-100	1,116,482	(21,265)	1,095,217	79,357
Purchased Professional Educational Services	11-000-217-320	186,497	4,000	190,497	14,098
Supplies and Materials	11-000-217-600	18,500	-	18,500	10,353
Other Objects	11-000-217-800	24,000	8,000	32,000	8,631
Total Other Support Services - Students - Extra Services		1,345,479	(9,265)	1,336,214	112,439
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	734,510	(8,408)	726,102	2,802
Salaries of Secretaries & Clerical Assistants	11-000-218-105	222,900	300	223,200	-
Supplies and Materials	11-000-218-600	28,550	(2,475)	26,075	3,461
Total Undistributed Expenditures - Guidance		985,960	(10,583)	975,377	6,263
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	1,536,932	(90,724)	1,446,208	39,009
Salaries of Secretaries & Clerical Assistants	11-000-219-105	148,180	(26,000)	122,180	5,735
Other Purchased Professional & Technical Services	11-000-219-390	105,630	43,400	149,030	57,464
Other Purchased Services	11-000-219-500	6,700	-	6,700	2,263
Supplies and Materials	11-000-219-600	30,591	-	30,591	560
Total Undistributed Expenditures - Child Study Teams		1,828,033	(73,324)	1,754,709	107,205
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	662,796	55,320	718,116	64
Supplies and Materials	11-000-221-600	3,000	-	3,000	552
Other Objects	11-000-221-800	3,000	-	3,000	2,461
Total Undistributed Expenditures - Improvement of Instruction Services		668,796	55,320	724,116	4,973

WALL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	248,798	-	248,798	27,536
Other Purchased Services	11-000-222-500	8,500	-	8,500	1,358
Supplies and Materials	11-000-222-600	77,767	-	77,767	9,799
Total Undistributed Expenditures - Educational Media Services/Library		335,065	-	335,065	38,693
Undistributed Expenditures - Instructional Staff Training Services:					
Other Salaries	11-000-223-110	5,600	-	5,600	3,942
Other Purchased Services	11-000-223-500	76,900	-	76,900	19,461
Purchased Professional - Educational Services	11-000-223-600	2,500	-	2,500	2,500
Total Undistributed Expenditures - Instructional Staff Training Services		85,000	-	85,000	61,597
Undistributed Expenditures - Support Services - General Administration:					
Salaries	11-000-230-100	517,616	83,450	601,066	-
Legal Services	11-000-230-331	255,978	-	255,978	85,080
Audit Fees	11-000-230-332	44,000	17,000	61,000	20,000
Architectural/Engineering Services	11-000-230-334	12,000	(12,000)	-	-
Other Purchased Professional Services	11-000-230-339	66,500	(540)	65,960	39,593
Communications/Telephone	11-000-230-530	146,100	2,100	148,200	2,156
BOE Other Purchased Professional Services	11-000-230-585	4,500	-	4,500	3,902
Other Purchased Services	11-000-230-590	181,199	-	181,199	11,060
General Supplies	11-000-230-610	15,937	(1,071)	14,866	5,658
Judgements Against School District	11-000-230-820	50,000	(17,000)	33,000	23,000
Miscellaneous Expenditures	11-000-230-890	5,000	315	5,315	272
BOE Membership Dues and Fees	11-000-230-895	27,417	146	27,563	-
Total Undistributed Expenditures - Support Services - General Administration		1,326,247	72,400	1,398,647	190,721
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	11-000-240-103	1,737,299	43,058	1,780,357	4,238
Salaries of Other Professional Staff	11-000-240-104	721,944	(61,589)	660,355	2
Salaries of Secretaries & Clerical Assistants	11-000-240-105	731,068	(47,544)	683,524	2,604
Unused Vacation Payment to Staff	11-000-240-199	-	-	-	-
Other Purchased Services	11-000-240-500	22,525	150	22,675	11,345
Supplies and Materials	11-000-240-600	74,795	(85)	74,710	28,105
Other Objects	11-000-240-800	1,650	-	1,650	1,650
Total Undistributed Expenditures - Support Services - School Administration		3,289,281	(66,010)	3,223,271	47,944

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	603,242	(13,988)	589,254	-
Purchased Professional Services	11-000-251-330	174,777	59,140	233,917	13,172
Miscellaneous Purchased Services	11-000-251-592	32,249	(17,803)	14,446	4,124
Supplies and Materials	11-000-251-600	24,000	(4,000)	20,000	2,654
Other Objects	11-000-251-890	1,500	(1,039)	461	199
Total Undistributed Expenditures - Central Services		835,768	22,310	858,078	20,149
Undistributed Expenditures - Administrative Information Technology:					
Salaries	11-000-252-100	398,258	(23,874)	374,384	-
Purchased Technical Services	11-000-252-340	177,886	131,000	308,886	17,283
Other Purchased Services	11-000-252-500	4,300	-	4,300	1,744
Supplies and Materials	11-000-252-600	9,778	(1)	9,777	511
Total Undistributed Expenditures - Administrative Information Technology		590,222	107,125	697,347	19,538
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair & Maintenance Services	11-000-261-420	574,878	(92,585)	482,293	248,813
General Supplies	11-000-261-610	180,979	50,150	231,129	45,540
Total Undistributed Expenditures - Required Maintenance for School Facilities		755,857	(42,435)	713,422	294,353
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	3,085,528	16,536	3,102,064	2,943
Salaries of Non-Instructional Aids	11-000-262-107	453,569	(60,621)	392,948	4,754
Purchased Professional & Technical Services	11-000-262-300	54,657	47,059	101,716	29,563
Cleaning, Repair & Maintenance Services	11-000-262-420	332,776	(79,301)	253,475	25,062
Rental of Land & Buildings, Other Than Lease	11-000-262-441	51,000	801	51,801	-
Other Purchased Property Services	11-000-262-490	186,000	-	186,000	7,666
Insurance	11-000-262-520	598,885	9,327	608,212	104
Travel	11-000-262-580	-	1,000	1,000	405
Miscellaneous Purchased Services	11-000-262-590	4,300	(1,000)	3,300	595
General Supplies	11-000-262-610	269,685	61,276	330,961	2,490
Energy (Natural Gas)	11-000-262-621	426,000	180,000	606,000	50,223
Energy (Electricity)	11-000-262-622	871,912	(50,000)	821,912	47,916
Other Objects	11-000-262-800	3,000	-	3,000	142,273
Total Undistributed Expenditures - Custodial Services		6,337,312	125,077	6,462,389	316,114
Undistributed Expenditures - Care and Upkeep of Grounds:					
Cleaning, Repair & Maintenance Services	11-000-263-420	170,044	(500)	169,544	19,856
General Supplies	11-000-263-610	55,000	10,500	65,500	63,079

WALL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Total Undistributed Expenditures - Care and Upkeep of Grounds	225,044	10,000	235,044	22,277
Security:				
Salaries	591,727	70,825	662,552	448
Purchased Professional & Technical Services	45,000	-	45,000	27,315
Cleaning, Repair & Maintenance	23,000	(1,000)	22,000	22,000
General Supplies	14,412	(1)	14,411	9,812
Total Security	674,139	69,824	743,963	59,575
Undistributed Expenditures - Student Transportation Services:				
Salaries of Non-Instructional Aides	231,566	(27,295)	204,271	1,133
Salaries of Pupil Transportation (Between Home & School) - Regular	1,458,068	(54,804)	1,403,264	432
Salaries of Pupil Transportation (Between Home & School) - Special Education	486,325	(180,053)	306,272	-
Salaries of Pupil Transportation (Other Than Between Home & School) - Regular	65,000	(16,109)	48,891	-
Salaries of Pupil Transportation (Between Home & School) - Nonpublic	55,397	(17,375)	38,022	1
Other Purchased Professional & Technical Services	50,500	-	50,500	6,534
Cleaning, Repair & Maintenance Services	80,606	(20,000)	60,606	24,784
Lease Purchase Payments - School Buses	425,000	-	425,000	-
Contract Services (Aide in Lieu) - Non Public Schools	165,000	54,112	219,112	25,062
Contract Services (Other Than Between Home & School) - Vendors	10,000	12,000	22,000	260
Contract Services (Special Education) - Vendors	52,931	6,773	59,704	8,143
Contract Services (Special Education) - Joint Agreements	50,363	8,820	59,183	3
Contract Services (Regular) ESC's	1,071,670	7,973	1,079,643	7,790
Contract Services (Special Education) - ESC's	1,550,281	(116,793)	1,433,488	134,842
Miscellaneous Purchased Services - Transportation	75,500	-	75,500	459
General Supplies	12,194	-	12,194	7,696
Transportation Supplies	332,456	79,375	411,831	58,717
Miscellaneous Expenditures	500	-	500	500
Total Undistributed Expenditures - Student Transportation Services	6,173,357	(263,376)	5,909,981	276,356
Unallocated Benefits:				
Group Insurance	15,000	-	15,000	1,724
Social Security Contributions	1,100,000	-	1,100,000	4,746
Other Retirement Contributions - PERS	1,350,000	(15,037)	1,334,963	-
Other Retirement Contributions - Regular	48,500	-	48,500	4,454
Workmen's Compensation	610,000	(41,009)	568,991	11,684
Health Benefits	10,879,975	502,000	11,381,975	592,653
Tuition Reimbursement	8,000	-	8,000	-
Other Employee Benefits	432,215	(3,834)	428,381	5,583
Unused Sick Payment to Staff	55,552	5,834	61,386	-
Total Unallocated Benefits	14,499,242	447,954	14,947,196	620,844

WALL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
TPAF - Post Retirement Medical (Nontcash Assistance)	-	-	2,837,015	(2,837,015)
TPAF - Pension Contributions (Nontcash Assistance)	-	-	12,142,655	(12,142,655)
TPAF - Long-Term Disability Insurance (Nontcash Assistance)	-	-	4,293	(4,293)
Reimbursed TPAF Social Security Contributions	-	-	2,426,656	(2,426,656)
Total Undistributed Expenditures	45,287,034	383,455	45,670,489	(15,032,314)
Total Expenditures - Current Expense	78,645,136	66,269	78,711,405	(14,544,520)
Equipment:				
Grades 6-8	-	2,795	2,795	-
Grades 9-12	-	38,528	38,528	12,854
Multiple Disabilities	-	8,408	8,408	275
School-Sponsored & Other Instructional Programs	51,000	-	51,000	47,525
Undistributed Expenditures:				
Undistributed Expenditures - Admin Info Tech	211,000	(211,000)	-	-
Undist. Expend. - Required Maint for School Fac.	50,000	(50,000)	-	-
Undist. Expend. = Custodial Services	30,000	(30,000)	-	-
Non-Instructional Equipment	-	59,600	59,600	-
Non-Instructional Services	83,647	115,400	199,047	32,407
Total Equipment	425,647	(66,269)	359,378	93,061
Facilities Acquisition & Construction Services:				
Architectural/Engineering Services	224,350	-	224,350	99,934
Construction Services	2,397,570	-	2,397,570	1,518,621
Lease Purchase Agreements - Principal	-	192,395	192,395	192,395
Assessment for Debt Service on SDA Funding	7,780	-	7,780	-
Total Facilities Acquisition & Construction Services	2,629,700	192,395	2,822,095	1,810,950
Assets Acquired Under Financed Purchases (Non-Budgeted):				
Assets Acquired Under Financed Purchases (Non-Budgeted)	-	-	-	(816,002)
Total Assets Acquired Under Capital Leases (Non-Budgeted)	-	-	-	(816,002)
Total Capital Outlay	3,055,347	126,126	3,181,473	1,088,009
Transfer of Funds to Charter Schools	113,663	-	113,663	113,663
Total Expenditures	81,814,146	192,395	82,006,541	(13,342,848)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	(6,288,914)	-	(6,288,914)	4,388,052
Other Financing Sources/(Uses):				
Financed Purchases (Non-Budgeted)	-	-	-	816,002
Total Other Financing Sources/(Uses)	-	-	-	816,002

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
	(6,288,914)	-	(6,288,914)	5,204,054
	16,007,708	-	16,007,708	-
	\$ 9,718,794	\$ -	\$ 9,718,794	\$ 5,204,054

Excess (Deficiency) of Revenues Over/
 (Under) Expenditures After Other
 Financing Sources/(Uses)
 Fund Balances, July 1

Fund Balances, June 30

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

- Capital Reserve \$ 4,893,128
- Maintenance Reserve 2,031,378
- Emergency Reserve 790,400
- Reserve for Unemployment Claims 283,798

Assigned Fund Balance:

- Year-End Encumbrances 1,871,269
- Designated for Subsequent Year's Expenditures 1,558,097

Unassigned Fund Balance

Subtotal

14,922,848

Reconciliation to Governmental Funds Statements (GAAP):
 Last State Aid Payments not recognized on GAAP basis

(441,273)

Fund Balance per Governmental Funds (GAAP)

\$ 14,481,575

**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 480,538	\$ 480,538	\$ 471,656	\$ 8,882
State Sources	70,000	49,540	119,540	89,787	29,753
Federal Sources	2,405,837	2,863,560	5,269,397	2,487,134	2,782,263
Total Revenues	2,475,837	3,393,638	5,869,475	3,048,577	2,820,898
Expenditures:					
Instruction:					
Salaries of Teachers	2,405,837	(1,017,489)	1,388,348	352,096	1,036,252
Purchased Professional - Educational Services	-	30,398	30,398	17,337	13,061
Tuition	-	950,000	950,000	724,459	225,541
General Supplies	16,000	968,163	984,163	719,961	264,202
Other Objects	-	6,933	6,933	3,763	3,170
Total Instruction	2,421,837	938,005	3,359,842	1,817,616	1,542,226
Support Services:					
Salaries of Other Professional Staff	-	384,277	384,277	76,095	308,182
Personal Services - Employee Benefits	-	132,548	132,548	32,590	99,958
Purchased Educational Services	49,000	1,084,908	1,133,908	475,007	658,901
Other Purchased Services (400-500 Series)	5,000	167,978	172,978	70,942	102,036
Supplies and Materials	-	233,392	233,392	123,797	109,595
Scholarships Awarded	-	7,750	7,750	7,750	-
Student Activities	-	384,030	384,030	384,030	-
Total Support Services	54,000	2,394,883	2,448,883	1,170,211	1,278,672
Total Expenditures	2,475,837	3,332,888	5,808,725	2,987,827	2,820,898
Total Outflows	2,475,837	3,332,888	5,808,725	2,987,827	2,820,898
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ 60,750	\$ 60,750	\$ 60,750	\$ -
Fund Balance, July 1	256,991	-	256,991	256,991	-
Fund Balance, June 30	\$ 256,991	\$ 60,750	\$ 317,741	\$ 317,741	\$ -

RECAPITULATION OF FUND BALANCE

Restricted:	
Scholarships	\$ 30,825
Student Activities	286,916
Total Fund Balance	\$ 317,741

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**WALL TOWNSHIP BOARD OF EDUCATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 93,448,527	\$ 3,048,577
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(79,422)
Prior Year	-	27,191
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(441,273)	-
Prior Year	414,149	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 93,421,403	\$ 2,996,346
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 95,349,389	\$ 2,987,827
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is 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.	-	(52,231)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 95,349,389	\$ 2,935,596

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

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WALL TOWNSHIP BOARD OF EDUCATION
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.1201657846%	0.1199820398%	0.1185054547%	0.1193099000%	0.1231854896%	0.1262608098%	0.1178796684%	0.1181117181%	0.1121304449%
School District's proportionate share of the net pension liability	\$ 14,235,439	\$ 19,565,933	\$ 21,352,885	\$ 23,491,524	\$ 28,675,613	\$ 37,394,830	\$ 26,461,623	\$ 22,114,767	\$ 21,430,356
School District's covered payroll	\$ 8,700,699	\$ 8,621,065	\$ 8,153,611	\$ 8,226,051	\$ 8,549,704	\$ 8,383,906	\$ 8,019,520	\$ 8,070,828	\$ -
School District's proportionate share of the net pension liability as a percentage of its covered payroll	163.61%	226.95%	261.88%	285.57%	335.40%	446.03%	329.97%	274.01%	#DIV/0!
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

WALL TOWNSHIP BOARD OF EDUCATION
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 1,407,281.00	\$ 1,312,543	\$ 1,152,709	\$ 1,186,748	\$ 1,141,182	\$ 1,121,683	\$ 1,013,449	\$ 973,741	\$ 844,880
Contributions in relation to the contractually required contribution	(1,407,281.00)	(1,312,543)	(1,152,709)	(1,186,748)	(1,141,182)	(1,121,683)	(1,013,449)	(973,741)	(844,880)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 8,514,253	\$ 8,700,699	\$ 8,621,065	\$ 8,153,611	\$ 8,226,051	\$ 8,549,704	\$ 8,383,906	\$ 8,019,520	\$ 8,070,828
Contributions as a percentage of covered payroll	16.53%	15.09%	13.37%	14.55%	13.87%	13.12%	12.09%	12.14%	10.47%

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

WALL TOWNSHIP BOARD OF EDUCATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	138,183,353	189,793,410	174,625,526	185,600,663	199,684,015	222,510,730	177,241,722	141,063,164	137,997,158
School District's covered payroll	\$ 138,183,353	\$ 189,793,410	\$ 174,625,526	\$ 185,600,663	\$ 199,684,015	\$ 222,510,730	\$ 177,241,722	\$ 141,063,164	\$ 137,997,158
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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**WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS***

	2022	2021	2020	2019	2018
District's Total OPEB Liability					
Service Cost	\$ 10,317,562	\$ 5,808,886	\$ 5,796,526	\$ 6,532,628	\$ 7,828,298
Interest Cost	5,125,693	4,852,170	5,980,651	6,394,505	5,525,917
Change in Benefit Terms	(210,311)	-	-	-	-
Difference between Expected & Actual Differences	(34,509,005)	38,678,008	(25,832,267)	(15,023,438)	-
Changes of Assumptions	194,938	40,291,968	2,007,946	(17,296,901)	(22,989,673)
Contributions: Member	131,039	116,393	122,543	139,298	168,117
Gross Benefit Payments	(4,037,611)	(3,840,076)	(4,133,979)	(4,030,438)	(4,565,617)
Net Change in District's Total OPEB Liability	(22,987,695)	85,907,349	(16,058,580)	(23,284,346)	(14,032,958)
District's Total OPEB Liability (Beginning)	220,577,712	134,670,363	150,728,943	174,013,289	188,046,247
District's Total OPEB Liability (Ending)	\$ 197,590,017	\$ 220,577,712	\$ 134,670,363	\$ 150,728,943	\$ 174,013,289
District's Covered Employee Payroll	\$ 42,299,660	\$ 41,575,735	\$ 37,168,509	\$ 38,961,498	\$ 37,648,668
District's Net OPEB Liability as a Percentage of Payroll	467%	531%	362%	387%	462%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

The long-term expected rate of return used as of June 30, measurement date is as follows

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%
2019	5.60%	2016	3.22%		

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%	2016	2.85%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Title I	Title IIA	Title III	Title III - Immigrant	Title IV
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-
Federal Sources	169,354	83,664	10,091	22	32,823
Total Revenues	\$ 169,354	\$ 83,664	\$ 10,091	\$ 22	\$ 32,823
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 122,599	\$ -	\$ 6,232	\$ -	\$ -
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
General Supplies	482	-	300	-	-
Other Objects	-	-	-	-	-
Total Instruction	123,081	-	6,532	-	-
Support Services:					
Salaries of Other Professional Staff	25,347	-	-	-	-
Personal Services - Employee Benefits	11,151	-	477	-	-
Purchased Educational Services	-	83,664	1,260	-	32,823
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies and Materials	9,775	-	1,822	22	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Total Support Services	46,273	83,664	3,559	22	32,823
Facilities Acquisition & Construction Services:					
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-
Total Expenditures	\$ 169,354	\$ 83,664	\$ 10,091	\$ 22	\$ 32,823
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	I.D.E.A. - Basic	I.D.E.A. - Preschool	ARP I.D.E.A. - Basic	ARP I.D.E.A. - Preschool	CARES Emergency Relief Grant
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-
Federal Sources	820,479	68,570	94,836	11,070	96,053
Total Revenues	\$ 820,479	\$ 68,570	\$ 94,836	\$ 11,070	\$ 96,053
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ 25,545	\$ -	\$ 57,319
Purchased Professional - Educational Services	-	-	17,337	-	-
Other Purchased Services (400-500 Series)	724,459	-	-	-	-
General Supplies	12,058	14,632	50,000	10,000	186
Other Objects	-	-	-	1,070	-
Total Instruction	736,517	14,632	92,882	11,070	57,505
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	31,756
Personal Services - Employee Benefits	-	-	1,954	-	6,792
Purchased Educational Services	70,000	53,938	-	-	-
Other Purchased Services (400-500 Series)	13,962	-	-	-	-
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Total Support Services	83,962	53,938	1,954	-	38,548
Facilities Acquisition & Construction Services:					
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-
Total Expenditures	\$ 820,479	\$ 68,570	\$ 94,836	\$ 11,070	\$ 96,053
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	CRRSA - ESSER II		CRRSA - ESSER II		ARP - ESSER III	
	CRRSA - ESSER II	Learning Acceleration	Mental Health	ARP - ESSER III	Mental Health	
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	718,016	48,049	34,424	255,010	44,673	
Total Revenues	\$ 718,016	\$ 48,049	\$ 34,424	\$ 255,010	\$ 44,673	
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ 42,405	\$ -	\$ 97,996	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	580,485	-	-	9,665	-	-
Other Objects	-	-	-	-	-	-
Total Instruction	580,485	42,405	-	107,661	-	-
Support Services:						
Salaries of Other Professional Staff	4,822	-	14,170	-	-	-
Personal Services - Employee Benefits	369	3,244	1,084	7,519	-	-
Purchased Educational Services	94,886	2,400	18,470	12,560	44,673	
Other Purchased Services (400-500 Series)	-	-	-	53,246	-	-
Supplies and Materials	37,454	-	700	74,024	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Total Support Services	137,531	5,644	34,424	147,349	44,673	
Facilities Acquisition & Construction Services:						
Instructional Equipment	-	-	-	-	-	-
Noninstructional Equipment	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-
Total Expenditures	\$ 718,016	\$ 48,049	\$ 34,424	\$ 255,010	\$ 44,673	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Non Public Ch. 192 Auxiliary	Non Public Ch. 193 Handicapped	Non Public Nursing	Non Public Textbook	Non Public Security
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	5,375	33,091	21,867	11,767	13,953
Federal Sources	-	-	-	-	-
Total Revenues	\$ 5,375	\$ 33,091	\$ 21,867	\$ 11,767	\$ 13,953
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
General Supplies	-	-	-	11,767	13,953
Other Objects	-	-	-	-	-
Total Instruction	-	-	-	11,767	13,953
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Educational Services	5,375	33,091	21,867	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
Total Support Services	5,375	33,091	21,867	-	-
Facilities Acquisition & Construction Services:					
Noninstructional Equipment	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-
Total Expenditures	\$ 5,375	\$ 33,091	\$ 21,867	\$ 11,767	\$ 13,953
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WALL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

	Non Public Technology	Local Grants	Student Activities	Scholarship	Totals
Revenues:					
Local Sources	\$ -	\$ 19,126	\$ 444,054	\$ 8,476	\$ 471,656
State Sources	3,734	-	-	-	89,787
Federal Sources	-	-	-	-	2,487,134
Total Revenues	\$ 3,734	\$ 19,126	\$ 444,054	\$ 8,476	\$ 3,048,577
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 352,096
Purchased Professional - Educational Services	-	-	-	-	17,337
Other Purchased Services (400-500 Series)	-	-	-	-	724,459
General Supplies	-	16,433	-	-	719,961
Other Objects	-	2,693	-	-	3,763
Total Instruction	-	19,126	-	-	1,817,616
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	76,095
Personal Services - Employee Benefits	-	-	-	-	32,590
Purchased Educational Services	-	-	-	-	475,007
Other Purchased Services (400-500 Series)	3,734	-	-	-	70,942
Supplies and Materials	-	-	-	-	123,797
Scholarships Awarded	-	-	-	7,750	7,750
Student Activities	-	-	384,030	-	384,030
Total Support Services	3,734	-	384,030	7,750	1,170,211
Total Expenditures	\$ 3,734	\$ 19,126	\$ 384,030	\$ 7,750	\$ 2,987,827
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	60,024	726	60,750
Fund Balance, July 1	-	-	226,892	30,099	256,991
Fund Balance, June 30	\$ -	\$ -	\$ 286,916	\$ 30,825	\$ 317,741

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F. Capital Projects Fund

Not Applicable

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I. Long-Term Debt

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WALL TOWNSHIP BOARD OF EDUCATION
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS PAYABLE
 YEAR ENDED JUNE 30, 2022

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2021	RETIRED	BALANCE JUNE 30, 2022
			DATE	AMOUNT				
Pension Refunding Bonds	7/3/2012	\$ 3,790,000	7/15/2022	\$ 90,000	4.202%	\$ 690,000	\$ 405,000	\$ 285,000
			8/17/2022	195,000	4.202%			
School Refunding Bonds	4/22/2015	17,515,000	7/15/2022	2,370,000	5.000%	7,130,000	2,350,000	4,780,000
			7/15/2023	2,410,000	5.000%			
Total						\$ 7,820,000	\$ 2,755,000	\$ 5,065,000

WALL TOWNSHIP BOARD OF EDUCATION
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
 YEAR ENDED JUNE 30, 2022

PURPOSE	AMOUNT OF LEASE	INTEREST RATE	AMOUNT		ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2022
			OUTSTANDING JUNE 30, 2021				
2017 School Buses (4)	\$ 300,000	2.150%	\$ 61,498	\$ -	\$ -	61,498	\$ -
2019 School Buses (5)	405,000	2.980%	165,332	-	-	81,452	83,880
2020 School Buses (7)	530,000	2.466%	319,573	-	-	103,940	215,633
2022 School Buses (7)	816,002	1.120%	-	816,002	816,002	273,500	542,502
Total			\$ 546,403	\$ 816,002	\$ 816,002	\$ 520,390	\$ 842,015

WALL TOWNSHIP BOARD OF EDUCATION
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	June 30, 2022			VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL
	BUDGET		BUDGET	ACTUAL
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,323,473	\$ -	\$ 2,323,473	\$ 2,323,473
State Sources:				
Debt Service Aid Type II	756,485	-	756,485	756,485
Total Revenues	3,079,958	-	3,079,958	3,079,958
Expenditures:				
Regular Debt Service:				
Interest	324,958	-	324,958	324,958
Redemption of Principal	2,755,000	-	2,755,000	2,755,000
Total Regular Debt Service	3,079,958	-	3,079,958	3,079,958
Total Expenditures	3,079,958	-	3,079,958	3,079,958
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Fund Balance, July 1,	-	-	-	-
Fund Balance, June 30,	\$ -	\$ -	\$ -	\$ -

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

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WALL TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 32,742,346	\$ 29,941,361	\$ 27,294,108	\$ 23,668,548	\$ 22,614,140	\$ 20,341,432	\$ 17,202,958	\$ 16,176,888	\$ 13,242,009	\$ 12,332,608
Restricted	8,316,445	8,988,536	7,339,725	7,007,106	7,879,125	6,045,607	5,712,617	4,409,297	4,312,842	4,452,232
Unrestricted (Deficit)	(18,440,395)	(21,444,981)	(24,734,199)	(26,374,370)	(28,363,547)	(28,205,105)	(25,626,679)	(24,643,354)	(23,633,552)	(2,778,148)
Total Governmental Activities										
Net Position	\$ 22,618,396	\$ 17,484,916	\$ 9,899,634	\$ 4,301,284	\$ 2,129,718	\$ (1,818,066)	\$ (2,711,104)	\$ (4,057,169)	\$ (6,078,701)	\$ 14,006,692
Business-Type Activities:										
Net Investment in Capital Assets	\$ 34,773	\$ 51,888	\$ 66,949	\$ 82,010	\$ 94,376	\$ 109,259	\$ 96,696	\$ 110,091	\$ 124,473	\$ 136,138
Unrestricted (Deficit)	725,200	200,656	71,283	275,281	210,122	181,057	96,832	22,394	28,543	74,313
Total Business-Type Activities										
Net Position	\$ 759,973	\$ 252,544	\$ 138,232	\$ 357,291	\$ 304,498	\$ 290,316	\$ 193,528	\$ 132,485	\$ 153,016	\$ 210,451
District-Wide:										
Net Investment in Capital Assets	\$ 32,777,119	\$ 29,993,249	\$ 27,361,057	\$ 23,750,558	\$ 22,708,516	\$ 20,450,691	\$ 17,299,654	\$ 16,286,979	\$ 13,366,482	\$ 12,468,746
Restricted	8,316,445	8,988,536	7,339,725	7,007,106	7,879,125	6,045,607	5,712,617	4,409,297	4,312,842	4,452,232
Unrestricted (Deficit)	(17,715,195)	(21,244,325)	(24,662,916)	(26,099,089)	(28,153,425)	(28,024,048)	(25,529,847)	(24,620,960)	(23,605,009)	(2,703,835)
Total District Net Position										
	\$ 23,378,369	\$ 17,737,460	\$ 10,037,866	\$ 4,658,575	\$ 2,434,216	\$ (1,527,750)	\$ (2,517,576)	\$ (3,924,684)	\$ (5,925,685)	\$ 14,217,143

Source: ACFR Schedule A-1

WALL TOWNSHIP BOARD OF EDUCATION
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	FISCAL YEAR ENDING: JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 36,105,223	\$ 40,948,829	\$ 36,131,686	\$ 36,508,007	\$ 39,377,966	\$ 37,630,745	\$ 33,698,651	\$ 31,427,530	\$ 26,886,838	\$ 26,404,404
Special Education	16,199,835	19,057,365	17,029,615	16,858,330	18,001,939	17,072,291	15,035,647	13,806,763	11,694,226	11,222,939
Vocational - Tuition	783,627	950,667	805,995	620,206	631,973	593,542	590,722	600,106	654,740	647,315
Other Instruction	1,648,927	1,956,606	1,741,541	1,777,481	1,804,832	1,651,386	1,609,390	1,393,728	1,141,619	1,196,910
School Sponsored Activities and Athletics	1,694,050	1,651,602	1,515,024	2,024,421	2,157,394	2,036,227	1,788,657	1,601,878	1,279,499	1,300,140
Support Services:										
Student & Instruction Related Services	11,650,811	10,471,758	9,639,655	11,362,762	11,454,012	11,073,493	9,982,279	9,205,306	8,809,469	8,303,915
General Administration	1,658,063	1,324,784	1,157,589	2,986,703	2,367,353	2,374,618	2,199,742	2,368,038	2,045,764	2,326,711
School Administration	4,358,621	4,322,841	4,002,342	4,775,129	5,383,818	5,172,594	4,729,551	4,530,340	3,913,365	3,725,116
Plant Operations & Maintenance	9,815,648	1,049,595	7,921,174	8,635,521	8,213,055	8,476,832	7,452,065	7,079,295	7,207,497	6,380,777
Student Transportation	7,733,009	1,055,400	5,681,202	5,819,040	5,644,337	5,644,337	5,036,208	4,904,733	4,999,220	5,074,791
Business/Central and Other Support Services	2,080,582	9,138,571	1,794,254	1,858,143	1,857,613	1,428,365	1,582,559	1,642,036	1,620,047	1,485,789
Charter Schools	-	5,012,307	-	-	-	-	-	-	-	-
Interest and Charges on Long-Term Debt	121,253	204,409	303,090	364,205	418,974	413,056	866,935	913,993	1,075,778	1,188,740
Total Governmental Activities	93,849,648	97,144,934	87,723,167	93,589,948	97,538,355	93,567,486	84,572,406	79,473,746	71,328,062	69,257,547
Expenses										
Business-Type Activities:										
Food Service	1,575,238	1,132,465	1,350,848	1,494,552	1,507,486	1,489,665	1,484,453	1,469,775	1,483,915	1,554,034
Before and After School Programs	302,935	288,259	440,693	473,708	416,661	383,074	303,791	14,002	8,656	3,525
Total Business-Type Activities	1,878,173	1,420,724	1,791,541	1,968,260	1,924,147	1,872,739	1,788,244	1,483,777	1,492,551	1,557,559
Expense										
Total District Expenses	\$ 95,727,821	\$ 98,565,658	\$ 89,514,708	\$ 95,558,208	\$ 99,462,502	\$ 95,440,225	\$ 86,360,650	\$ 80,957,523	\$ 72,820,613	\$ 70,815,106
Program Revenues:										
Charges for Services:										
Instruction (Tuition)	\$ 989,434	\$ 927,171	\$ 1,135,336	\$ 879,340	\$ 620,035	\$ 534,055	\$ 411,075	\$ 411,303	\$ 348,355	\$ 247,878
Pupil Transportation	-	500	350	4,419	-	-	-	-	-	-
Rentals	-	20,800	33,560	120,333	109,346	111,727	44,570	25,552	20,300	16,005
Operating Grants & Contributions	20,648,870	26,958,831	17,534,226	26,352,905	32,776,510	27,095,553	21,150,066	17,563,405	10,619,298	11,336,418
Capital Grants & Contributions	-	-	-	54,872	138,688	817,496	35,109	766,032	-	-
Total Governmental Activities	21,638,304	27,907,302	18,703,472	27,411,869	33,644,579	28,558,831	21,640,820	18,766,292	10,987,953	11,600,301
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	432,562	38,001	845,023	1,268,380	1,226,757	1,258,939	1,243,504	1,213,004	1,176,974	1,193,478
Before and After School Programs	383,502	238,971	354,511	457,439	448,023	404,372	334,296	19,080	15,100	4,475
Chromebooks	330	531	28,830	-	-	-	-	-	-	-
Operating Grants & Contributions	1,567,526	1,207,553	288,796	295,234	263,549	282,717	271,487	231,162	243,042	234,397
Total Business Type Activities	2,383,920	1,485,056	1,517,160	2,021,053	1,938,329	1,946,028	1,849,287	1,463,246	1,435,116	1,432,350
Program Revenues										
Total District Program Revenues	\$ 24,022,224	\$ 29,392,358	\$ 20,220,632	\$ 29,432,922	\$ 35,582,908	\$ 30,504,859	\$ 23,490,107	\$ 20,229,538	\$ 12,423,069	\$ 13,032,651
Net (Expense)/Revenue:										
Governmental Activities	\$ (72,211,344)	\$ (69,237,632)	\$ (69,019,695)	\$ (66,178,079)	\$ (63,893,776)	\$ (65,008,655)	\$ (62,931,586)	\$ (60,707,454)	\$ (60,340,109)	\$ (57,657,246)
Business-Type Activities	505,747	64,332	(274,381)	52,793	14,182	73,289	61,043	(20,531)	(57,435)	(125,209)
Total District-Wide Net Expense	\$ (71,705,597)	\$ (69,173,300)	\$ (69,294,076)	\$ (66,125,286)	\$ (63,879,594)	\$ (64,935,366)	\$ (62,870,543)	\$ (60,727,985)	\$ (60,397,544)	\$ (57,782,455)

WALL TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING: JUNE 30,										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 69,138,513	\$ 67,782,856	\$ 65,973,388	\$ 65,330,579	\$ 64,053,498	\$ 62,797,547	\$ 60,945,106	\$ 59,750,104	\$ 58,578,533	\$ 58,296,691
Taxes Levied for Debt Service	2,323,473	2,355,338	2,340,889	2,330,571	2,324,431	2,319,371	2,471,421	2,406,906	2,450,941	2,476,947
State/Federal Aid Sources	5,607,415	5,985,810	5,972,460	449,440	461,720	460,086	497,916	496,096	491,611	475,930
Investment Earnings	-	117,492	95,963	88,398	41,107	7,995	-	-	-	845
Miscellaneous Income	275,423	31,786	235,345	150,657	960,804	265,021	363,208	75,880	163,987	207,543
Total Governmental Activities	77,344,824	76,273,282	74,618,045	68,349,645	67,841,560	65,850,020	64,277,651	62,728,986	61,685,072	61,457,956
Business-Type Activities:										
Investment Earnings	-	890	322	-	-	-	-	-	-	-
Board Contributions	-	49,090	-	-	-	-	-	-	-	-
Miscellaneous	1,682	-	55,000	-	-	-	-	-	-	-
Total Business-Type Activities	1,682	49,980	55,322	-	-	-	-	-	-	-
Total District-Wide	\$ 77,346,506	\$ 76,323,262	\$ 74,673,367	\$ 68,349,645	\$ 67,841,560	\$ 65,850,020	\$ 64,277,651	\$ 62,728,986	\$ 61,685,072	\$ 61,457,956
Change in Net Position:										
Governmental Activities	\$ 5,133,480	\$ 7,035,650	\$ 5,598,350	\$ 2,171,566	\$ 3,947,784	\$ 841,365	\$ 1,346,065	\$ 2,021,532	\$ 1,344,963	\$ 3,800,710
Business-Type Activities	507,429	114,312	(219,059)	52,793	14,182	73,289	61,043	(20,531)	(57,435)	(125,209)
Total District	\$ 5,640,909	\$ 7,149,962	\$ 5,379,291	\$ 2,224,359	\$ 3,961,966	\$ 914,654	\$ 1,407,108	\$ 2,001,001	\$ 1,287,528	\$ 3,675,501

Source: ACFR Schedule A-2

WALL TOWNSHIP BOARD OF EDUCATION
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 7,998,704	\$ 8,731,545	\$ 7,088,522	\$ 8,034,903	\$ 8,377,795	\$ 5,688,945	\$ 4,349,605	\$ 4,777,176	\$ 5,581,124	\$ 6,277,447
Committed	-	-	-	1,679,277	412,131	554,785	473,561	-	-	-
Assigned	3,429,366	3,943,874	3,161,694	810,283	465,916	113,521	250,573	380,336	481,259	420,888
Unassigned	3,053,505	2,918,140	1,323,780	600,499	854,228	851,602	838,479	756,726	777,632	639,060
Total General Fund	\$ 14,481,575	\$ 15,593,559	\$ 11,573,996	\$ 11,124,962	\$ 10,110,070	\$ 7,208,853	\$ 5,912,218	\$ 5,914,238	\$ 6,840,015	\$ 7,337,395
All Other Governmental Funds:										
Restricted	\$ 317,741	\$ 256,991	\$ 251,203	\$ 251,203	\$ 196,330	\$ 388,575	\$ 1,618,425	\$ 230,621	\$ 614,029	\$ 57,096
Assigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 317,741	\$ 256,991	\$ 251,203	\$ 251,203	\$ 196,330	\$ 388,575	\$ 1,618,425	\$ 230,621	\$ 614,029	\$ 57,096

Source: ACFR Schedule B-1

WALL TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Tax Levy	\$ 71,461,986	\$ 70,138,194	\$ 68,314,277	\$ 67,661,150	\$ 66,377,929	\$ 65,116,918	\$ 63,416,527	\$ 62,157,010	\$ 61,029,474	\$ 60,773,638
Tuition Charges	989,434	927,171	1,135,336	879,340	620,035	534,055	411,075	411,303	348,355	247,878
Interest Earnings	-	117,492	95,963	88,398	41,107	7,995	-	-	-	845
Transportation	44,409	500	350	4,419	-	-	-	-	-	-
Rental Fees	96,842	20,800	33,560	120,333	109,346	111,727	44,570	25,552	20,300	16,005
Miscellaneous	605,827	365,055	249,510	192,912	992,999	275,944	386,498	95,127	164,451	236,497
State Sources	23,811,993	19,536,778	17,104,359	15,807,660	14,474,825	13,704,580	11,781,724	11,437,055	9,658,196	10,547,280
Federal Sources	2,487,216	1,640,068	1,602,578	1,569,401	1,335,270	1,270,302	1,320,511	1,294,798	1,452,249	1,236,114
Total Revenues	99,497,707	92,746,058	88,535,933	86,123,613	83,951,511	81,021,521	77,560,905	75,420,845	72,673,025	73,058,257
Expenditures										
Instruction:										
Regular Instruction	23,532,978	22,553,602	21,625,099	31,437,318	29,999,268	29,244,160	28,330,042	27,611,387	26,785,953	26,636,286
Special Education Instruction	10,558,869	10,496,436	10,192,358	14,777,835	14,233,956	13,786,105	12,971,052	12,393,841	11,689,276	11,314,962
Vocational Education - Tuition	570,885	678,770	626,879	620,206	631,973	593,542	590,722	600,106	654,740	647,315
Other Instruction	1,074,752	1,077,650	1,042,326	1,518,521	1,360,592	1,266,809	1,341,752	1,215,187	1,140,986	1,209,783
School Sponsored Activities & Athletics	1,234,143	1,179,233	1,178,340	1,767,414	1,686,985	1,621,365	1,535,470	1,430,623	1,278,933	1,311,222
Support Services:										
Attendance & Social Work Services	720,518	703,405	649,565	-	-	-	-	-	-	-
Health Service	670,474	702,531	603,941	-	-	-	-	-	-	-
Student & Instruction Related Services	7,096,816	6,070,828	6,243,924	10,225,448	9,415,559	9,390,598	9,224,273	8,780,042	8,666,001	8,220,607
General Administration	1,207,926	945,887	900,338	1,068,454	1,074,753	1,090,756	1,010,506	1,229,571	1,041,049	1,190,212
School Administration	3,175,327	3,086,479	3,112,900	4,433,677	4,250,464	4,208,259	4,193,626	4,158,822	3,911,335	3,764,603
Plant Operations & Maintenance	7,462,499	6,696,250	6,400,031	8,158,857	7,249,392	7,634,816	7,212,942	6,985,188	7,191,146	6,408,965
Student Transportation	5,633,625	3,578,753	4,418,666	5,213,044	5,008,659	4,914,773	4,647,740	4,616,572	4,788,364	4,481,035
Business/Central & Other Support Services	1,515,738	1,502,951	1,395,517	1,742,002	1,597,477	1,351,770	1,520,373	1,619,747	1,619,340	1,498,608
Unallocated Benefits	14,326,352	11,690,076	11,438,723	-	-	-	-	-	-	-
On Behalf TPAF Pension and Social Security Contributions	17,410,619	13,544,999	11,176,786	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Capital Outlay	2,085,684	1,595,342	3,970,890	1,686,432	1,700,822	2,531,137	310,619	2,894,328	913,464	1,299,310
Debt Service:										
Principal	2,755,000	2,660,000	2,525,000	2,665,816	2,578,656	2,494,964	2,730,213	2,391,273	2,289,989	2,425,617
Interest & Other Charges	332,738	458,058	573,757	673,824	753,983	825,682	692,791	1,008,707	1,083,524	1,241,559
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	-	-
Total Expenditures	101,364,943	89,221,250	88,075,040	85,988,848	81,542,539	80,954,736	76,312,121	77,511,290	73,054,100	72,040,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,867,236)	3,524,808	449,034	134,765	2,408,972	66,785	1,048,784	(2,090,445)	(381,075)	1,018,173
Other Financing Sources/(Uses):										
Cancellation of Payable	-	-	43,141	-	-	-	-	-	-	-
Financed Purchases (Non-Budgeted)	816,002	-	-	935,000	300,000	-	337,000	205,364	440,628	-
Proceeds From Refunding	-	-	-	-	-	-	-	17,515,000	-	3,790,000
Payments to Escrow Agent	-	-	-	-	-	-	-	(19,335,000)	-	(3,704,682)
Original Issue Premiums	-	-	-	-	-	-	-	2,395,896	-	-
Transfers in	-	251,202	-	-	-	-	1,434,780	826,800	592,789	-
Transfers Out	-	(300,292)	(55,000)	-	-	-	(1,434,780)	(826,800)	(592,789)	-
Total Other Financing Sources/(Uses)	816,002	(49,090)	(11,859)	935,000	300,000	-	337,000	781,260	440,628	85,318
Net Change in Fund Balances	(1,051,234)	3,475,718	449,034	1,069,765	2,708,972	66,785	1,385,784	(1,309,185)	59,553	1,103,491
Debt Service as a Percentage of Noncapital Expenditures	3.11%	3.56%	2.97%	3.23%	3.30%	3.21%	3.75%	3.78%	3.29%	3.55%

Source: ACFR Schedule B-2

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

FISCAL YEAR ENDING JUNE 30	INTEREST ON INVESTMENTS	REIMBURSEMENTS	TUITION	DEMAND RESPONSE	PRIOR YEAR PAYABLES CANCELLED	TRANSPORTATION	E-RATE	RENTALS	GRANT PROCEEDS FOR PRIOR YEAR CAPITAL PROJECTS	INSURANCE PROCEEDS	MISCELLANEOUS	TOTAL
2022	\$ -	\$ -	\$ 989,434	\$ -	\$ -	\$ 44,409	\$ -	\$ 96,842	\$ -	\$ -	\$ 134,171	\$ 1,264,856
2021	117,492	-	927,171	-	-	500	-	20,800	-	-	80,876	1,146,839
2020	95,963	-	1,135,336	-	43,141	350	-	33,560	-	-	247,204	1,555,554
2019	88,398	-	879,340	21,135	11,575	4,419	-	120,333	-	-	117,947	1,243,147
2018	41,107	-	620,035	16,164	759,106	-	-	109,346	-	-	185,534	1,731,292
2017	7,995	-	534,055	23,246	74,708	-	-	111,727	114,212	-	52,855	918,798
2016	-	77,647	411,075	-	-	-	49,790	44,570	-	174,767	61,004	818,853
2015	-	-	411,303	-	-	-	-	25,552	-	-	75,880	512,735
2014	-	-	348,355	-	-	-	-	20,300	-	-	163,987	532,642
2013	845	-	247,878	-	-	-	-	16,005	153,536	-	54,007	472,271

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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WALL TOWNSHIP BOARD OF EDUCATION
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2013	\$ 68,210,500	\$ 2,830,109,100	\$ 30,958,400	\$ 854,600	\$ 611,628,500	\$ 141,333,200	\$ 22,142,800	\$ 3,705,237,100	\$ 5,864,768	\$ 3,711,101,868	1.641	\$ 5,684,897,675
2014	67,764,300	2,819,263,000	31,125,700	859,900	609,691,300	141,331,000	21,839,600	3,691,874,800	5,325,309	3,697,200,109	1.666	5,614,372,406
2015	65,185,400	2,817,681,600	32,138,900	806,500	607,903,100	139,006,100	24,981,100	3,687,702,700	5,150,110	3,692,852,810	1.700	5,602,708,447
2016	85,540,500	4,505,855,990	46,534,000	765,200	1,014,262,500	240,969,300	46,891,700	5,940,819,190	7,953,969	5,948,773,159	1.080	5,924,070,513
2017	86,395,800	4,498,740,990	44,629,300	764,900	1,014,418,800	240,639,200	46,891,700	5,932,480,690	8,063,235	5,940,543,925	1.107	6,128,451,633
2018	87,939,400	4,505,584,900	41,343,000	760,300	1,056,984,200	256,938,000	46,891,700	5,996,441,500	7,824,535	6,004,266,035	1.123	6,156,959,538
2019	84,756,900	4,519,487,200	39,430,000	719,600	1,059,098,600	228,680,700	46,309,200	5,978,482,200	-	5,978,482,200	1.138	6,348,046,083
2020	86,233,800	4,539,928,100	36,714,700	708,500	1,093,421,500	228,986,100	45,533,400	6,031,526,100	-	6,031,526,100	1.148	6,661,082,532
2021	77,878,000	4,558,054,400	39,002,700	679,200	1,097,421,600	240,484,600	45,533,400	6,059,053,900	-	6,059,053,900	1.168	6,726,555,593
2022	100,665,700	4,588,338,100	35,583,300	661,000	1,107,103,700	267,263,800	45,533,400	6,145,149,000	-	6,145,149,000	1.173	8,085,722,368

Source: Monmouth County Board of Taxation
 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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.
 a. Taxable N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when
 b. Tax rates are per \$100
 N/A At the time of ACFR Completion, this data was not yet available

**WALL TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	<u>TOTAL</u>	<u>SCHOOL DISTRICT</u>	<u>MUNICIPAL</u>	<u>COUNTY</u>	<u>OTHER</u>
2013	2.793	1.641	0.691	0.411	0.050
2014	2.825	1.666	0.708	0.403	0.048
2015	2.888	1.700	0.722	0.416	0.050
2016	1.813	1.080	0.448	0.253	0.032
2017	1.847	1.107	0.453	0.254	0.033
2018	1.884	1.123	0.459	0.256	0.046
2019	1.947	1.138	0.463	0.299	0.047
2020	1.983	1.148	0.463	0.309	0.063
2021	1.942	1.168	0.470	0.254	0.050
2022	1.952	1.173	0.474	0.253	0.052

Source: Municipal Tax Assessor

- Note: N.J.S.A. 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.

WALL TOWNSHIP BOARD OF EDUCATION
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2022	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
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Taxpayer	2013	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
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Source: Municipal Tax Assessor

N/A - Information was not available at reporting time

**WALL TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2013	60,773,638	58,909,170	96.93%	1,864,468
2014	61,029,474	61,029,474	100.00%	-
2015	62,157,010	62,157,010	100.00%	-
2016	63,416,527	63,416,527	100.00%	-
2017	65,116,918	65,116,918	100.00%	-
2018	66,377,929	66,377,929	100.00%	-
2019	67,661,150	67,661,150	100.00%	-
2020	68,314,277	68,314,277	100.00%	-
2021	70,138,194	70,138,194	100.00%	-
2022	71,461,986	71,461,986	100.00%	-

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

a. 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 the amount voted upon or certified prior to the end of the school year.

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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WALL TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES				TOTAL DISTRICT	POPULATION	PER CAPITA INCOME	PERSONAL INCOME	OUTSTANDING DEBT RATIO
	GENERAL OBLIGATION BONDS	UNAMORTIZED BOND PREMIUMS	FINANCE PURCHASE AGREEMENTS						
2013	\$ 28,825,000	\$ -	\$ 33,248	\$ 28,858,248	25,994	63,973	\$ 1,662,914,162	1.74%	
2014	26,660,000	-	348,887	27,008,887	25,902	67,481	1,747,892,862	1.55%	
2015	22,575,000	2,395,896	427,978	25,398,874	25,887	70,766	1,831,919,442	1.39%	
2016	19,985,000	2,073,399	624,765	22,683,164	25,891	73,074	1,891,958,934	1.20%	
2017	17,740,000	1,628,638	374,801	19,743,439	25,813	75,876	1,958,587,188	1.01%	
2018	15,420,000	1,250,283	416,145	17,086,428	25,690	79,249	2,035,906,810	0.84%	
2019	13,005,000	923,643	1,100,329	15,028,972	25,602	82,270	2,106,276,540	0.71%	
2020	10,480,000	651,115	787,139	11,918,254	25,518	86,091	2,196,870,138	0.54%	
2021	7,820,000	425,379	546,403	8,791,782	26,467	82,551	2,184,877,317	0.40%	
2022	5,065,000	239,408	842,015	6,146,423	N/A	N/A	N/A	N/A	

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements. See Exhibit J-14 for personal income and population data.

**WALL TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING				NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	UNAMORTIZED BOND PREMIUMS		DEDUCTIONS			
2013	\$ 28,825,000	\$ -	\$ -	\$ -	\$ 28,825,000	0.51%	1,109
2014	26,660,000	-	-	-	26,660,000	0.48%	1,029
2015	22,575,000	2,395,896	-	-	24,970,896	0.38%	872
2016	19,985,000	2,073,399	-	-	22,058,399	0.33%	772
2017	17,740,000	1,628,638	-	-	19,368,638	0.29%	687
2018	15,420,000	1,250,283	-	-	16,670,283	0.24%	598
2019	13,005,000	923,643	-	-	13,928,643	0.20%	509
2020	10,480,000	651,115	-	-	11,131,115	0.17%	441
2021	7,820,000	425,379	-	-	8,245,379	0.12%	315
2022	5,065,000	239,408	-	-	5,304,408	0.08%	N/A

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

See Exhibit J-6 for property tax data.

Population data can be found in Exhibit J-14.

**WALL TOWNSHIP BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022**

	NET DEBT
Municipal Debt:	
Wall Township Board of Education (as of June 30, 2022)	\$ 5,065,000
Township of Wall	30,165,503
Subtotal, Overlapping Debt	35,230,503
Overlapping Debt Apportioned to the Municipality:	
Mounmouth County:	
County of Monmouth	19,362,686
Total Direct & Overlapping Debt	\$ 54,593,189

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
Debt Outstanding data provided by each governmental unit.

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 Wall. 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.

WALL TOWNSHIP BOARD OF EDUCATION
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Dollars in Thousands)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 204,978,604	\$ 195,967,337	\$ 190,325,093	\$ 244,761,800	\$ 236,601,951	\$ 229,784,067	\$ 223,373,044	\$ 223,407,044	\$ 230,438,397	\$ 241,269,347
Total Net Debt Applicable to Limit	5,304,408	8,366,403	11,131,115	13,005,000	15,420,000	17,740,000	19,985,000	19,510,000	23,230,000	25,035,000
Legal Debt Margin	\$ 199,674,196	\$ 187,600,934	\$ 179,193,978	\$ 231,756,800	\$ 221,181,951	\$ 212,044,067	\$ 203,388,044	\$ 203,897,044	\$ 207,208,397	\$ 216,234,347
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.59%	4.27%	5.85%	5.31%	6.52%	7.72%	8.95%	8.73%	10.08%	10.38%

Legal Debt Margin Calculation

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	2021 \$ 7,221,756,734
	2020 6,684,612,767
	2019 6,591,490,849
	<u>\$ 20,497,860,350</u>
	<u>\$ 6,832,620,117</u>
Debt Limit (3% of Average Equalization Value)	\$ 204,978,604
Net Bonded School Debt	<u>5,304,408</u>
Legal Debt Margin	<u>\$ 199,674,196</u>

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**WALL TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2013	25,994	63,973	8.40%
2014	25,902	67,481	7.00%
2015	25,887	70,766	5.37%
2016	25,891	73,074	4.90%
2017	25,813	75,876	4.30%
2018	25,690	79,249	3.90%
2019	25,602	82,270	3.60%
2020	25,518	86,091	3.00%
2021	26,467	82,551	8.00%
2022	N/A	N/A	5.20%

Sources:

a Population information provided by the NJ Department of Labor and Workforce Development.

b Personal income has been estimated based upon the municipal population and per capita personal income presented.

c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

d Unemployment data provided by the NJ Department of Labor and Workforce Development.

WALL TOWNSHIP BOARD OF EDUCATION
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

	2022	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
	RANK	
	DATA NOT AVAILABLE	
Total	-	0.00%
Total Employment - (Estimated)	-	

	2013	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
	RANK	
	DATA NOT AVAILABLE	
Total	-	0.00%
Total Employment - (Estimated)	-	

Source: Township of Wall, Clerk's Office.

N/A - Information was not available at reporting time

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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WALL TOWNSHIP BOARD OF EDUCATION
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	256	259	259	259	268	271	274	275	260	257
Special Education	171	170	171	165	168	161	156	161	146	90
Other Special Instruction									-	53
Other Instruction	221	221	222	213	199	194	164	155	157	158
Support Services:										
Student & Instruction Related Services	114	113	116	119	110	122	99	105	92	90
General Administration	6	6	6	6	6	6	6	6	4	4
School Administrative Services	33	33	33	32	32	31	30	30	30	31
Other Administrative Services										
Central Services	7	7	7	7	7	7	7	7	8	8
Administrative Information Technology	6	6	6	6	6	6	6	6	5	6
Plant Operations & Maintenance	105	105	106	105	100	99	104	99	88	87
Pupil Transportation	58	58	62	60	63	64	66	68	66	67
Total	976	977	988	971	958	959	912	911	855	850

Source: District Personnel Records

WALL TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)		PUPIL PER CENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
		\$	\$			ELEM	MIDDLE	HIGH				
2022	3,258	\$ 75,630,306	\$ 23,214	11.72%	429	1:07.7	1:07.8	1:07.3	3,254	3,078	3.42%	94.58%
2021	3,182	70,962,851	22,301	7.33%	371	1:07.5	1:08.8	1:08.9	3,147	3,007	-6.89%	95.57%
2020	3,311	68,798,610	20,779	-14.00%	417	1:08.4	1:07.8	1:07.6	3,380	3,301	0.00%	97.66%
2019	3,351	80,962,776	24,161	7.68%	417	1:08.4	1:07.8	1:07.6	3,380	3,301	-0.55%	97.66%
2018	3,410	76,509,078	22,437	3.37%	419	1:08.4	1:07.7	1:08.0	3,399	3,326	-1.61%	97.87%
2017	3,460	75,102,953	21,706	7.84%	418	1:08.7	1:08.1	1:08.0	3,454	3,436	-3.73%	99.46%
2016	3,606	72,578,498	20,127	3.95%	400	1:08.9	1:08.8	1:09.3	3,588	3,475	0.45%	96.85%
2015	3,649	70,641,086	19,362	4.61%	400	1:08.9	1:09.0	1:08.8	3,572	3,454	-1.57%	96.70%
2014	3,716	68,767,123	18,508	5.05%	402	1:08.4	1:09.3	1:09.3	3,629	3,508	-5.72%	96.67%
2013	3,821	67,310,213	17,618	3.52%	385	1:09.3	1:09.6	1:11.1	3,849	3,676	-2.23%	95.51%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4

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

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

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

WALL TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>DISTRICT BUILDINGS</u>										
Elementary Schools:										
Allenwood										
Square Feet	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920
Capacity (Students)	521	521	521	521	521	521	521	521	521	521
Enrollment	408	375	364	406	391	380	348	348	359	387
Central										
Square Feet	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110
Capacity (Students)	596	596	596	596	596	596	596	596	596	596
Enrollment (a)	509	476	427	538	526	522	504	507	506	495
Old Mill										
Square Feet	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440
Capacity (Students)	560	560	560	560	560	560	560	560	560	560
Enrollment	361	347	326	380	381	404	402	420	434	434
West Belmar										
Square Feet	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360
Capacity (Students)	276	276	276	276	276	276	276	276	276	276
Enrollment	172	167	144	173	181	186	203	199	212	221
Middle School:										
Intermediate										
Square Feet	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000
Capacity (Students)	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Enrollment	777	778	779	775	787	811	887	921	940	990
High School:										
Square Feet	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340
Capacity (Students)	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394
Enrollment	966	985	1,051	1,021	1,094	1,100	1,190	1,184	1,197	1,220
Primary:										
Square Feet	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970
Capacity (Students)	60	60	60	60	60	60	60	60	60	60
Enrollment	65	54	55	58	50	57	55	50	36	50

WALL TOWNSHIP BOARD OF EDUCATION
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS

DISTRICT BUILDINGS 2022 2021 2020 2019 2018 2017 2016 2015 2014 2013

Virtual:										
Enrollment	0	N/A	165	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:										
Superintendent's Building										
Square Feet- 2,880										
Business Office										
Square Feet- 5,760										
Technology Building										
Square Feet- 1,069										
Tech. Storage Bam										
Square Feet- 1,296										
Maintenance Building										
Square Feet- 4,756										
Red Storage Bam										
Square Feet - 960										
Special Service Bldg. 1										
Square Feet- 2,000										
Special Service Bldg. 2										
Square Feet- 1,104										
District Storage Bldg.										
Square Feet- 5,000										
Garage Apt.										
Square Feet- 2,030										
18th Ave. Field										
Square feet- 1,800										
Number of Schools at June 30, 2022:										
Elementary = 4										
Middle School = 1										
Senior High School = 1										
Other = 1										

Source: District Facilities Office, District Records

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

WALL TOWNSHIP BOARD OF EDUCATION
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS
 UNAUDITED

SCHOOL FACILITIES	PROJECT # (s)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Wall High School	050	\$ 131,964	\$ 88,503	\$ 136,233	\$ 168,933	\$ 87,265	\$ 136,799	\$ 102,842	\$ 77,780	\$ 147,150	\$ 222,767
Allenwood School	060	20,987	31,437	31,525	31,409	39,077	29,623	35,969	35,542	60,219	16,597
Central Elementary	070	34,802	15,561	40,908	71,440	54,929	51,100	49,712	48,246	59,643	27,239
Wall Intermediate	075	108,967	51,354	25,939	93,853	196,273	108,071	45,122	89,364	82,433	28,520
Old Mill Primary	077	44,006	40,964	29,930	65,456	38,219	187,116	39,956	47,601	54,979	25,210
West Belmar	078	41,279	18,370	18,345	25,201	2,166	6,157	16,272	28,745	28,113	1,374
	080	37,064	43,229	17,445	56,640	11,395	31,747	31,551	31,011	59,345	20,897
Grand Total		419,069	289,418	300,325	512,932	429,324	550,613	321,424	358,289	491,882	342,604

Source: District Records

**WALL TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
June 30, 2022
UNAUDITED**

	COVERAGE	DEDUCTIBLE
SCHOOL PACKAGE POLICY (1):		
School Excess Liability Joint Insurance Fund		
Property Blanket Bldg. & Contents	\$ 500,000,000	\$ 5,000
Program Blanket Limit	500,000,000 *	5,000
Comprehensive General Liability	5,000,000	-
Comprehensive Crime Coverage	500,000	1,000
Money & Securities	50,000	1,000
Workers Compensation	Statutory	N/L
COMPUTERS & SCHEDULE EQUIPMENT		
School Excess Liability Joint Insurance Fund		
Data Processing Equipment	500,000,000	5,000
Valuable Papers	500,000,000	5,000
Miscellaneous Equipment	500,000,000	5,000
Business Income	100,000,000	5,000
Extra Expense	50,000,000	5,000
BOILER & MACHINERY - SCHOOL EXCESS JOINT INSURANCE FUND		
Property Damage	100,000,000	5,000
UMBRELLA EXCESS LIABILITY		
Excess Liability - Dipolma JIF	5,000,000	None
School Excess - Umbrella Policy	30,000,000	None
SCHOOL BOARD LEGAL LIABILITY - ACE USA		
Directors & Officers Policy	Included in SLPL	None
PUBLIC OFFICIAL BOND - PABLO D. CANELA		
	400,000	None
PUBLIC OFFICIAL BOND - BRIAN J. SMYTH		
	400,000	None
AUTOMOBILE & TRUCKS		
School Excess Liability Joint Insurance Fund	5,000,000	

Source: District Records

SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Wall Township School District
County of Monmouth
Wall, New Jersey 07719

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 Wall Township School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Wall Township School District's basic financial statements, and have issued our report thereon dated March 17, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman

Certified Public Accountant

Public School Accountant, #20CS00260100

Lakewood, New Jersey

March 17, 2023



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Wall Township School District
County of Monmouth
Wall, New Jersey 07719

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Red Bank Regional High School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman

Certified Public Accountant

Public School Accountant, #20CS00260100

Lakewood, New Jersey

March 17, 2023

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WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL AWARD NUMBER	PASS THROUGH GRANTOR PROGRAM/TITLE OR CLUSTER	FEDERAL AWARD IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2022 (ACCOUNTS RECEIVABLE)	GRANTOR
93.778	220SNJSMAP	Passed Through New Jersey Department of Human Services: Medicaid Cluster Medical Assistance Program (SEM)	100-054-7540-211	\$ 52,313	7/1/21-6/30/22	\$ -	\$ 52,313	\$ -	\$ -	\$ -	\$ -	\$ -	-
		Total Medicaid Cluster		\$ 52,313		\$ -	\$ 52,313	\$ -	\$ -	\$ -	\$ -	\$ -	-
		Total U.S. Department of Health and Human Services											
		U.S. Department of the Treasury											
		Passed Through New Jersey Department of Education: Coronavirus Relief Fund - Non-Public Digital Divide	100-034-5120-516	2,871	7/1/20-6/30/21	-	-	-	-	(7)	-	-	-
		Total U.S. Department of the Treasury											
		U.S. Department of Agriculture											
		Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster School Breakfast Program	100-010-3350-028	127,383	7/1/21-6/30/22	-	118,135	(127,383)	-	-	-	(9,248)	-
		School Breakfast Program	100-010-3350-028	353,962	7/1/20-6/30/21	(34,843)	152,978	(127,383)	-	-	-	(9,248)	-
		National School Lunch Program	100-010-3350-028	1,329,112	7/1/21-6/30/22	-	1,230,984	(1,329,112)	-	-	-	(78,128)	-
		National School Lunch Program	100-010-3350-028	649,743	7/1/20-6/30/21	(63,980)	63,980	-	-	-	-	-	-
		Emergency Operational Costs Reimbursement Program	100-010-3350-028	10,838	7/1/21-6/30/22	-	10,894	(10,894)	-	-	-	-	-
		Emergency Operational Costs Reimbursement Program	100-010-3350-028	10,894	7/1/20-6/30/21	(1,276)	10,894	-	-	-	-	-	-
		Food Distribution Program (Noncash Assistance)	Unavailable	67,671	7/1/19-6/30/20	(65,256)	1,394,805	(1,407,677)	-	-	-	(78,128)	-
		Total Child Nutrition Cluster				(100,099)	1,547,783	(1,535,060)	-	-	-	(87,376)	-
		P-EET Administrative Cost	N/A	1,242	7/1/21-6/30/22	-	1,242	(1,242)	-	-	-	-	-
		Total U.S. Department of Agriculture				(100,099)	1,549,025	(1,536,302)	-	-	-	(87,376)	-
		U.S. Department of Education											
		Passed Through New Jersey Department of Education: Title I - Part A	100-034-5064-194	169,354	7/1/21-9/30/22	-	157,671	(169,354)	-	-	-	(11,683)	-
		Title I - Part A	100-034-5064-194	404,249	7/1/20-9/30/21	(108,944)	86,074	-	-	-	-	(22,870)	-
		Title II - Part A, Supporting Effective Instruction	100-034-5063-290	83,664	7/1/21-9/30/22	(16,000)	43,000	(83,664)	-	-	-	(40,664)	-
		Title II - Part A, Supporting Effective Instruction	100-034-5063-290	75,408	7/1/20-9/30/21	(16,000)	16,000	-	-	-	-	(40,664)	-
		Title III - English Language Acquisition	100-034-5064-187	10,091	7/1/21-9/30/22	-	7,517	(10,091)	-	-	-	(2,574)	-
		Title III - English Language Acquisition	100-034-5064-187	59,112	7/1/20-9/30/21	(24,409)	18,824	-	-	-	-	(5,585)	-
		Title III - Immigrant	100-034-5064-187	22	7/1/21-9/30/22	-	22	(22)	-	-	-	-	-
		Title III - Immigrant	100-034-5064-187	1,676	7/1/20-9/30/21	(1,654)	1,654	-	-	-	-	-	-
		Title IV	100-034-5064-189	32,823	7/1/21-9/30/22	-	32,257	(32,823)	-	(1)	-	(566)	-
		Title IV	100-034-5064-189	25,253	7/1/20-9/30/21	(2,616)	2,617	-	-	(1)	-	(566)	-
		Special Education Cluster: LD.E.A. Part B	100-034-5065-016	820,479	7/1/21-9/30/22	-	791,923	(820,479)	-	-	-	(28,556)	-
		LD.E.A. Part B	100-034-5065-016	94,856	7/1/21-9/30/22	(22,074)	88,378	-	-	-	-	(6,486)	-
		ARP LD.E.A. Part B	100-034-5065-016	94,856	7/1/21-9/30/22	(22,074)	88,378	(94,856)	-	-	-	(6,486)	-
		LD.E.A. Preschool	100-034-5065-020	68,570	7/1/21-9/30/22	-	48,681	(68,570)	-	-	-	(19,889)	-
		LD.E.A. Preschool	100-034-5065-020	62,093	7/1/20-9/30/21	(11,004)	11,004	-	-	-	-	(10,310)	-
		ARP LD.E.A. Preschool	100-034-5065-021	11,070	7/1/21-9/30/22	(11,004)	760	(11,070)	-	-	-	(50,199)	-
		Total Special Education Cluster				(33,078)	912,820	(994,955)	-	-	-	(115,213)	-
		Education Stabilization Fund: CARES Emergency Relief	100-034-5120-513	236,452	3/13/20-9/30/22	1,065	77,950	(96,053)	-	-	-	(17,088)	-
		Digital Divide	100-034-5120-516	44,341	7/1/20-10/31/20	(1,065)	-	-	-	-	-	(1,065)	-
		GRSA Elementary and Secondary School Emergency Relief Fur	100-034-5120-518	718,016	3/13/20-9/30/23	-	706,555	(718,016)	-	-	-	(11,461)	-
		GRSA Learning Acceleration	100-034-5120-518	48,049	3/13/20-9/30/23	-	48,049	(48,049)	-	-	-	(1,880)	-
		GRSA Mental Health	100-034-5120-518	24,428	3/13/20-9/30/23	-	32,555	(34,628)	-	-	-	(2,073)	-
		GRSA Secondary Schools Emergency Relief Fund	100-034-5120-519	244,673	3/13/20-9/30/24	-	-	(44,673)	-	-	-	(44,673)	-
		ARP ESSER III Mental Health	100-034-5120-519	44,673	3/13/20-9/30/24	-	865,089	(1,196,235)	-	-	-	(331,146)	-
		Total U.S. Department of Education				(186,701)	2,143,545	(2,487,134)	(1)	-	-	(530,291)	-
		Total Expenditures of Federal Awards				\$ (286,791)	\$ 3,744,883	\$ (4,075,499)	\$ -	\$ (8)	\$ -	\$ (617,667)	\$ -

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

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WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANT OR PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	BALANCE, JUNE 30, 2022		MEMO		
											UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
New Jersey Department of Education:															
General Fund:															
State Aid Public:															
Special Education Categorical Aid	495-034-5120-089	2,986,911	7/1/21-6/30/22	-	-	2,986,911	(2,986,911)	-	-	-	-	-	290,721	\$	2,986,911
Security Aid	495-034-5120-084	341,937	7/1/21-6/30/22	-	-	341,937	(341,937)	-	-	-	-	-	33,281	\$	341,937
Total State Aid Public						3,328,848	(3,328,848)	-	-	-	-	-	324,003	\$	3,328,848
Transportation Aid	495-034-5120-014	1,204,850	7/1/21-6/30/22	-	-	1,204,850	(1,204,850)	-	-	-	-	-	117,270	\$	1,204,850
Extraordinary Aid	495-034-5120-043	1,001,106	7/1/21-6/30/22	-	-	1,001,106	(1,001,106)	-	-	-	(1,001,106)	-	-	\$	1,001,106
Extraordinary Aid	495-034-5120-043	837,900	7/1/20-6/30/21	(837,900)	-	837,900	-	-	-	-	-	-	-	\$	-
Additional Non-Public Transportation Aid	495-034-5120-013	47,422	7/1/21-6/30/22	-	-	47,422	(47,422)	-	-	-	(47,422)	-	-	\$	47,422
Additional Non-Public Transportation Aid	495-034-5120-014	41,174	7/1/20-6/30/21	(41,174)	-	41,174	-	-	-	-	-	-	-	\$	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,426,656	7/1/21-6/30/22	-	-	2,305,396	(2,426,656)	-	-	-	(121,260)	-	-	\$	2,426,656
Transportation Security Aid	495-034-5094-003	2,557,653	7/1/20-6/30/21	(116,508)	-	116,508	-	-	-	-	-	-	-	\$	-
Transportation Security Aid (Noncash Assistance)	495-034-5094-001	2,837,015	7/1/21-6/30/22	-	-	2,837,015	(2,837,015)	-	-	-	-	-	-	\$	2,837,015
TPAF - Pension	495-034-5094-002	12,142,655	7/1/21-6/30/22	-	-	12,142,655	(12,142,655)	-	-	-	-	-	-	\$	12,142,655
TPAF - Long-Term Disability	495-034-5094-004	4,293	7/1/21-6/30/22	-	-	4,293	(4,293)	-	-	-	-	-	-	\$	4,293
Insurance (Noncash Assistance)	495-034-5094-004	4,293	7/1/21-6/30/22	(995,582)	-	22,818,639	(22,992,845)	-	-	-	(1,169,788)	-	441,273	\$	22,992,845
Total General Fund						119,540	(89,787)	-	(389)	-	-	-	29,753	\$	79,049
Special Revenue Fund:															
Non-Public Aid:															
Textbooks	100-034-5120-064	12,123	7/1/21-6/30/22	-	-	12,123	(11,767)	-	-	-	-	-	356	\$	11,767
Nursing Services	100-034-5120-070	22,624	7/1/21-6/30/22	-	-	22,624	(21,867)	-	-	-	-	-	757	\$	21,867
Nursing Services	100-034-5120-070	6,732	7/1/20-6/30/21	383	-	-	-	(383)	-	-	-	-	-	\$	-
Technology Initiative	100-034-5120-373	8,484	7/1/21-6/30/22	-	-	8,484	(3,734)	-	-	-	-	-	4,750	\$	3,734
Security Aid	100-034-5120-508	35,350	7/1/21-6/30/22	-	-	35,350	(13,953)	-	-	-	-	-	21,397	\$	13,953
Security Aid	100-034-5120-509	11,250	7/1/20-6/30/21	6	-	-	-	(6)	-	-	-	-	-	\$	-
Adult Services Aid (Chapter 192):	100-034-5120-067	5,375	7/1/21-6/30/22	-	-	5,375	(5,375)	-	-	-	-	-	-	\$	5,375
Compassionate Education	100-034-5120-066	10,245	7/1/21-6/30/22	-	-	10,245	(7,752)	-	-	-	-	-	-	\$	7,752
Handicapped Services (Chapter 193):	100-034-5120-066	14,601	7/1/21-6/30/22	-	-	14,601	(14,601)	-	-	-	-	-	2,493	\$	14,601
Examination and Classification	100-034-5120-066	10,738	7/1/21-6/30/22	-	-	10,738	(10,738)	-	-	-	-	-	-	\$	-
Corrective Speech	100-034-5120-066	10,738	7/1/21-6/30/22	-	-	10,738	(10,738)	-	-	-	-	-	-	\$	-
Supplementary Instruction	100-034-5120-066	10,738	7/1/21-6/30/22	-	-	10,738	(10,738)	-	-	-	-	-	-	\$	-
Total Special Revenue Fund				389	-	119,540	(89,787)	-	(389)	-	-	-	29,753	\$	79,049
Debt Service Fund:															
Debt Service Aid	495-034-5120-075	756,485	7/1/21-6/30/22	-	-	756,485	(756,485)	-	-	-	-	-	-	\$	756,485
Total Debt Service Fund						756,485	(756,485)	-	-	-	-	-	-	\$	756,485
New Jersey Department of Agriculture:															
Enterprise Fund:															
National School Lunch Program	100-010-3350-023	31,224	7/1/21-6/30/22	(8,274)	-	29,426	(31,224)	-	-	-	(1,798)	-	-	\$	31,224
National School Lunch Program	100-010-3350-023	34,079	7/1/20-6/30/21	34,079	-	8,274	-	-	-	-	-	-	-	\$	-
Total Enterprise Fund				(8,274)	-	37,700	(31,224)	-	-	-	(1,798)	-	-	\$	31,224
Total State Financial Assistance				\$ (1,003,467)	\$	23,732,364	(23,870,341)	\$	(389)	\$	(1,171,586)	\$	29,753	\$	23,859,603
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:															
TPAF - Post Retirement	495-034-5094-001	\$	7/1/21-6/30/22				2,837,015								
Medical (Noncash Assistance)	495-034-5094-002		7/1/21-6/30/22				12,142,655								
TPAF - Pension	495-034-5094-002		7/1/21-6/30/22				4,293								
Contributions (Noncash Assistance)	495-034-5094-004		7/1/21-6/30/22				(6,886,378)								
TPAF - Long-Term Disability	495-034-5094-004		7/1/21-6/30/22				4,293								
Insurance (Noncash Assistance)	495-034-5094-004		7/1/21-6/30/22				4,293								
Total State Financial Assistance Subject to Calculation for Major Program Determination							\$ (6,886,378)								

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

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**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022**

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$27,124 for the general fund and \$52,231 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 52,313	\$ 22,965,721	\$ 23,018,034
Special Revenue Fund	2,434,903	89,787	2,524,690
Debt Service Fund	-	756,485	756,485
Food Service Fund	1,536,302	31,224	1,567,526
Total Awards & Financial Assistance	<u>\$ 4,023,518</u>	<u>\$ 23,843,217</u>	<u>\$ 27,866,735</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Wall Township School District had no loan balances outstanding at June 30, 2022.

**WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> no
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> no
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425	S425D200027	Education Stabilization Fund (ESF)
	S425D210027	
	S425U210027	

Dollar threshold used to determine Type A programs	\$ 750,000
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Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no
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**WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II - Financial Statement Findings

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

None.

**WALL TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**WALL TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2022**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.