

**SCHOOL DISTRICT OF THE  
TOWNSHIP OF WEST MILFORD  
COUNTY OF PASSAIC, NEW JERSEY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**of the**

**Township of West Milford School District**

**Board of Education**

**West Milford, New Jersey**

**For the Fiscal Year Ended June 30, 2022**

**WEST MILFORD BOARD OF EDUCATION**

**West Milford, New Jersey  
TOWNSHIP OF WEST MILFORD  
BOARD OF EDUCATION**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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## **INTRODUCTORY SECTION**





# WEST MILFORD PUBLIC SCHOOLS

46 Highlander Drive, West Milford, New Jersey 07480  
Phone: 973-697-1700 www.wmtps.org Fax: 973-697-8351

Alex Anemone, Ed.D.  
Superintendent

Barbara Francisco  
Business Administrator/Board Secretary

Daniel Novak  
Director of Education

Karen D'Avino, Ed.D.  
Interim Director of Special Services

*"Success Starts Here"*

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Honorable President and  
Members of the Board of Education  
West Milford Township School District  
County of Passaic, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the West Milford Township School District (District) for the fiscal year ending June 30, 2022. This ACFR includes the District's Basic Financial Statements in accordance with Governmental Accounting Standards Board Statement 34. 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 and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The ACFR is presented in four sections: Introductory, Financial, Statistical and Single Audit.

- ◆ The Introductory section includes this transmittal letter, the District's organizational chart and a list of Principal Officials;
- ◆ The Financial section includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information, as well as the auditor's report thereon;
- ◆ The Statistical section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District generally presented on a multi-year basis;
- ◆ The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, Title 2 U.S. Code of Federal Regulation Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:**

The Board of Education of the Township of West Milford is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 14. All funds and account groups of the District are included in this report. The West Milford Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12. These include regular, vocational as well as special education for special needs youngsters. The District's instructional facilities include six elementary schools (grades Pre-Kindergarten through grade 5), one middle school (grades 6, 7 and 8), and one high school (grades 9 through 12). The District completed the 2021-22 fiscal year with an average daily enrollment of 3,052. The following details the changes in the student enrollment of the District over the last 12 years.

**Student Enrollment Data**

<b>Fiscal Year</b>	<b>Student Enrollment</b>	<b>Percent Change</b>
2021-22	3,133	+1.04%
2020-21	2,999	-7.47%
2019-20	3,241	-4.51%
2018-19	3,394	-1.08%
2017-18	3,431	-2.64%
2016-17	3,524	-2.46%
2015-16	3,613	-2.61%
2014-15	3,710	-1.54%
2013-14	3,768	-1.21%
2012-13	3,814	-2.10%
2011-12	3,896	-1.22%
2010-11	3,944	-1.72%

The Board of Education, comprised of nine members, meets on the third Tuesday of each month for the workshop Board meeting and the fourth Tuesday of each month for the regular Board meeting.

The Parent Teacher Groups are highly active in the District and provide community support for a variety of programs and activities for the children.

**2. ECONOMIC CONDITION AND OUTLOOK:**

West Milford Township is a rural/suburban residential community with its working population primarily employed by the Board of Education, local businesses, and various businesses in the surrounding area. According to the most recent demographics data available from the Census Bureau released in July of 2021, the Township's population of 24,579 has decreased by 1.1%, in comparison to the Township's population of 24,862 in April of 2020, and has decreased by approximately 4% in comparison to the Township's population of 25,850 in April of 2010. West Milford's current unemployment rate of 10% is

above the Passaic County long term average of 7.61%. Per capita personal income is approximately 1.4 times the amount in Passaic County.

Since the last U.S. Census, the Township has experienced an increase in the population. When the pandemic provided opportunities for people to work from home, West Milford became very attractive to new families and the available housing inventory has since been significantly reduced. While the Highlands Act has always impeded new development, there were pockets of new homes being built, and many homes being renovated. The Township has had continued success with the redevelopment of existing commercial properties to attract new rateables. The Board of Education and Central Office Administration keep the lines of communication open with the community to listen to their concerns and suggestions. The district has implemented a Facebook page and Twitter account to provide information on important events in the district. The District's state aid has been reduced by \$7.8 million over the last five years. While the Board of Education and Central Office Administration is committed to containing expenses to maximize the dollars spent on education and to address facilities improvements, the state aid reductions are making it more difficult to maintain our comprehensive academic programs.

### **3. MAJOR INITIATIVES:**

With the upgrade of our elementary level science materials completed, we are now working to address our elementary mathematics program. We began professional development for our elementary teachers during the 2021-2022 school year, which has created enthusiasm and injected creative thinking. Our teachers will be reviewing new textbooks and classroom materials in the 2022-2023 school year and will be recommending a textbook purchase in the spring of 2023. This process can easily be considered one of our largest initiatives. The implementation of a new elementary mathematics program will include all stakeholders working together for a successful transition.

Other major initiatives include a committed effort to focus on the needs of the individual student. We have added new features in our student information system (Real-Time) that allow us to track student I&RS (Intervention and Referral Services) and RTI (Response to Intervention) plans in a centralized and meaningful way. In previous budgeted initiatives we aimed to build capacity across the district in regard to comfort, commitment, and experience for interpreting a wide range of student data. This collection of data, and the ability to collect ongoing new data, has been extremely helpful in the process of identifying individual student needs as they relate to New Jersey Student Learning Standards.

In addition to updates and upgrades to math textbook materials, we have also committed to an overhaul of classroom instructional supplies. In order to support our teachers' growth in relation to best practice instruction and transitioning students through the stages of math learning (Concrete, Pictorial, Abstract) we have provided a wide range of hands-on math manipulatives for both student and teacher use as well as new digital tools such as Chrome tablets and digital document camera projectors. District-supported digital resources include LinkIt!, Classlink, ST Math, IXL, Reading A-Z, Google Apps for Education, Peardeck, EdPuzzle, Kami, and many more.

The continued maintenance of our 1 to 1 Chromebook program remains a significant cost and major initiative for the school district.

### **4. INTERNAL ACCOUNTING CONTROLS:**

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

assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

#### **5. BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the 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 section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as appropriations to fund balance in the subsequent year. Those amounts to be appropriated are reported as reservations of fund balance at fiscal year end.

#### **6. ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

#### **7. CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Investment income is generated from interest on balances and certificate of deposits through Lakeland State Bank.

#### **8. RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, cyber liability, and fidelity bonds. Since the 1996-97 school year, the District has carried student and athletic accident and catastrophic injury insurance on every student enrolled in its schools. Through participation in a pooled insurance program, the District enjoys the benefits of distributed risks and reduced premium costs on all lines of

insurance. The Board uses the pool to self-insure for workers' compensation, and continues to receive disbursements of surplus funds from prior years.

**9. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Wielkotz & Company, LLC. In addition to meeting the requirements of the Single Audit Act of 1996, the Uniform Guidance, and N.J. OMB Circular 15-08 the auditor's report on the general purpose financial statements, and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

**10. ACKNOWLEDGMENTS:**

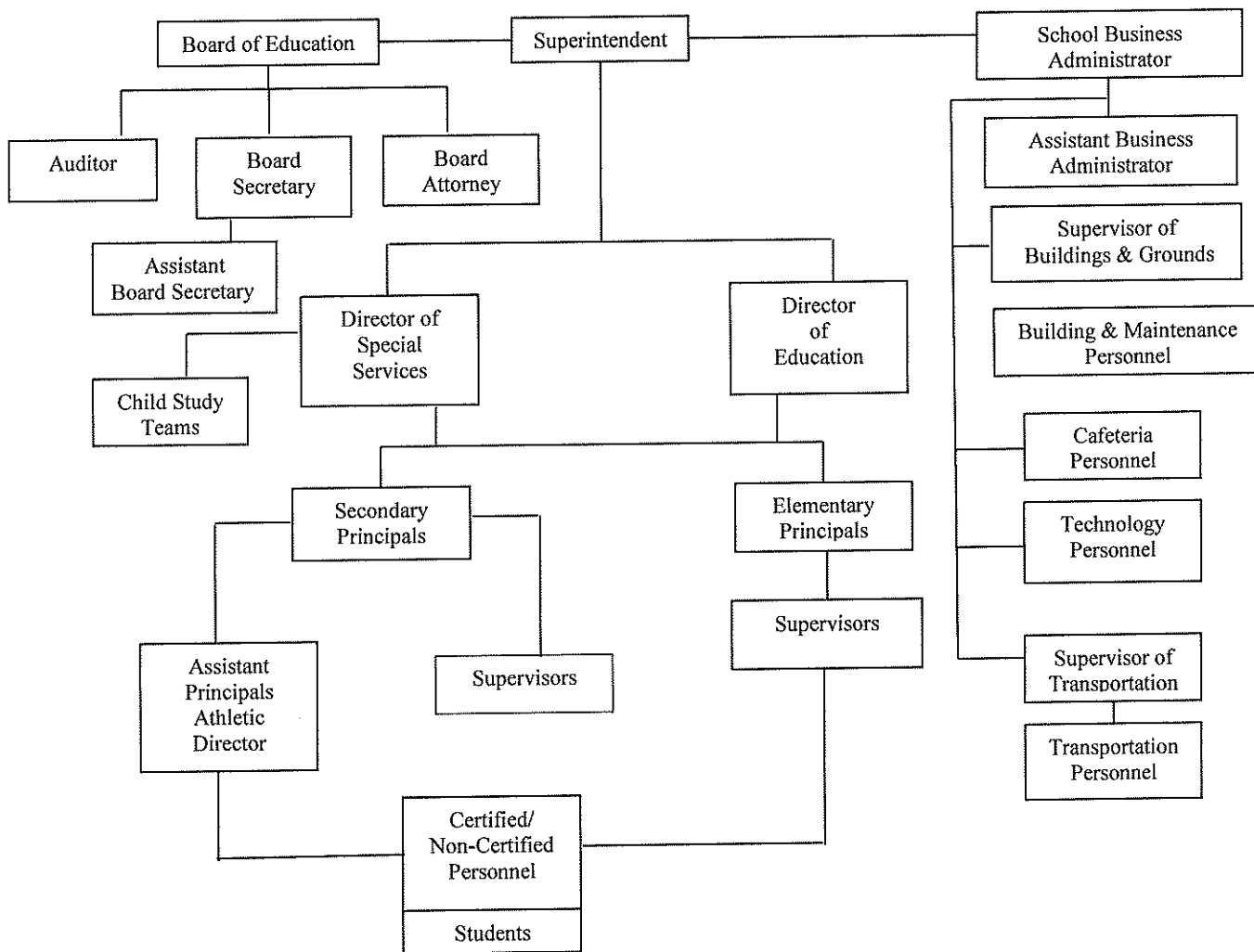
We would like to express our appreciation to the members of the West Milford Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative, financial, accounting, and secretarial staffs.

Respectfully submitted,



Barbara Francisco  
Business Administrator/Board Secretary

**WEST MILFORD BOARD OF EDUCATION**  
**Organizational Chart**  
**(Unit Control)**



Adopted: 25 April 2012

Revised: 24 September 2013

Revised: 27 May 2014

Revised: 19 June 2018

Revised: 19 February 2019

**WEST MILFORD BOARD OF EDUCATION  
ROSTER OF OFFICIALS**

**June 30, 2022**

**Members of the Board of Education**

**Term Expires**

Lynda Van Dyk, President	2023
Teresa Dwyer, Vice President	2024
Michael Conklin	2022
Raymond Guarino	2023
Claire Lockwood	2024
Debbie O'Brien	2023
Kate Romeo	2024
Cortney Stephenson	2022
Jaycen Stillman	2022

**Other Officials:**

Alex Anemone, Ed.D., Superintendent

Barbara Francisco, Business Administrator/Board Secretary

Daniel Novak, Director of Education

Elizabeth McQuaid, OTD, Director of Special Services

**WEST MILFORD BOARD OF EDUCATION  
2021-2022  
Consultants and Advisors**

**ARCHITECTS**

LAN Associates  
445 Godwin Avenue  
Midland Park, New Jersey 07432

Settembrino Architects  
37 East Washington Avenue  
Atlantic Highlands, New Jersey 07716

**AUDIT FIRM**

Wielkocz & Company, LLC  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442

**BOARD ATTORNEY**

Adams Gutierrez & Lattiboudere, LLC  
555 Route 1 South  
Suite 240  
Iselin, New Jersey 08830

**LABOR NEGOTIATOR**

Adams Gutierrez & Lattiboudere, LLC  
555 Route 1 South  
Suite 240  
Iselin, New Jersey 08830

**SPECIAL EDUCATION ATTORNEY**

Scarinci Hollenbeck, LLC  
150 Clove Road  
9<sup>th</sup> Floor  
Little Falls, New Jersey 07424

**OFFICIAL DEPOSITORY**

Lakeland State Bank  
West Milford, New Jersey



**FINANCIAL SECTION**



**WIELKOTZ & COMPANY** LLC  
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA  
MATTHEW B. WIELKOTZ, CPA, PSA  
PAUL J. CUVA, CPA, RMA, PSA  
JAMES J. CERULLO, CPA, RMA, PSA  
KARI FERGUSON, CPA, RMA, CMFO, PSA  
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**INDEPENDENT AUDITOR'S REPORT**

Honorable President and  
Members of the Board of Education  
Township of West Milford School District  
County of Passaic, New Jersey

**Report on the Audit of the Financial Statements**

***Opinion***

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

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

***Basis for Opinion***

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



***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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



Honorable President and  
Members of the Board of Education  
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- 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 Township of West Milford Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of West Milford Board of Education's ability to continue as a going concern for a reasonable period of time.

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

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedules Related to Accounting and Reporting for Pensions, and Other Post Employment Benefits identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Honorable President and  
Members of the Board of Education  
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*Other Information*

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

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Honorable President and  
Members of the Board of Education  
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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2023 on our consideration of the Township of West Milford Board of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of West Milford Board of Education’s internal control over financial reporting and compliance.

*Steven D. Wielkotz*

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

*Wielkotz & Company, LLC*

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

February 16, 2023



**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

WEST MILFORD TOWNSHIP PUBLIC SCHOOL DISTRICT  
WEST MILFORD TOWNSHIP

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

(UNAUDITED)

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

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 and Management's Discussion and Analysis for State and Local Governments issued in June 1999. Certain comparative information between the current year (2021-22) and the prior year (2020-21) is required to be presented in the MD&A.

### **Financial Highlights**

Key financial highlights for 2022 are as follows:

- ◆ General revenues accounted for \$84,491,989 in revenue or 93.75% percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$5,635,907 or 6.25% percent of total revenues of \$90,127,895.
- ◆ The School District had \$83,816,230 in expenses; \$5,635,907 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$58,960,514 were adequate to provide for these programs.
- ◆ The General Fund had \$86,944,200 in revenues, \$92,786,345 in expenditures and \$7,521,972 in other financing sources/(uses). The General Fund's balance increased by \$1,679,827 in 2022. Revenues do not include funds used from fund balance resulting in expenses exceeding revenues.

### **Using this Annual Comprehensive Financial Report (ACFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand West Milford Township Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.



## **Reporting the School District as a Whole**

**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* and *Statement of Activities* provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of West Milford Township Public School District, the General Fund is by far the most significant fund.

### **Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021-22?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- ◆ Governmental activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service and School Aged Child Care enterprise funds are reported as a business activity.

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

### **Fund Financial Statements**

Fund financial reports provide detailed information about the School District's major funds. Although the School District uses many funds to account for a multitude of financial transactions, these financial statements focus on the School district's most significant funds. These funds include the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

## Governmental Funds

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

## Enterprise Funds

The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

## The School District as a Whole

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

Table 1 provides a summary of the School District's net position for 2022 with comparative data.

**Table 1**

**Net Position  
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Assets:</b>						
Current and Other Assets	\$15,658,383	\$10,389,617	\$666,247	\$67,233	\$16,324,629	\$10,456,850
Capital Assets, net	<u>34,933,179</u>	<u>27,729,953</u>	<u>94,068</u>	<u>68,347</u>	<u>35,027,247</u>	<u>27,798,300</u>
Total Assets	<u>50,591,562</u>	<u>38,119,570</u>	<u>760,314</u>	<u>135,580</u>	<u>51,351,876</u>	<u>38,255,150</u>
<b>Deferred Outflows:</b>						
Deferred Outflows of Resources						
Related to PERS	<u>1,780,581</u>	<u>4,117,412</u>	<u>—</u>	<u>—</u>	<u>1,780,581</u>	<u>4,117,412</u>
<b>Liabilities:</b>						
Current Liabilities	3,927,031	3,898,605	116,097	47,875	4,043,128	30,946,480
Noncurrent Liabilities	<u>27,968,492</u>	<u>2,869,115</u>	<u>-</u>	<u>-</u>	<u>27,968,492</u>	<u>2,869,115</u>
Total Liabilities	<u>31,895,523</u>	<u>33,767,720</u>	<u>116,097</u>	<u>47,875</u>	<u>32,011,620</u>	<u>33,815,595</u>
<b>Deferred Inflows:</b>						
Deferred Inflows of Resources						
Related to PERS	<u>9,859,421</u>	<u>9,427,483</u>	<u>-</u>	<u>-</u>	<u>9,859,421</u>	<u>9,427,483</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	22,183,508	20,808,409	94,068	66,474	22,277,576	20,874,883
Restricted	9,846,006	9,322,907	-	-	9,846,006	9,322,907
Unrestricted	<u>(21,412,315)</u>	<u>(31,089,538)</u>	<u>550,149</u>	<u>21,231</u>	<u>(20,862,166)</u>	<u>(31,068,307)</u>
Total Net Position	<u>\$10,617,199</u>	<u>\$(958,222)</u>	<u>\$644,217</u>	<u>\$87,705</u>	<u>\$11,261,416</u>	<u>\$(870,517)</u>

The District's combined net position was \$11,261,416 on June 30, 2022.

Table 2 shows the changes in net position for fiscal year 2022, with a comparative analysis of district-wide data.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$1,018,933	\$190,815	\$394,219	\$893,775	\$1,413,152	\$1,084,590
Operating Grants and Contributions	2,163,706	1,226,983	2,059,048	316,567	4,222,754	1,543,550
General Revenues:						
Property Taxes	58,960,514	56,383,282	-	-	58,960,514	56,383,282
Federal and State Aid Not Restricted	24,859,353	29,159,726			24,859,353	29,159,726
Restricted Federal and State Aid	263,172					
Miscellaneous Income	408,531	561,226	419	2,403	408,950	563,629
Transfers		<u>(170,791)</u>		<u>170,791</u>		
Total Revenues and Transfers	<u>87,674,209</u>	<u>87,351,241</u>	<u>2,453,686</u>	<u>1,383,536</u>	<u>89,864,724</u>	<u>88,734,777</u>
Expenses:						
Governmental Activities:						
Instruction	47,113,616	47,790,116			47,113,616	47,790,116
Support services:						
Tuition and Student and Instruction	12,947,666	14,176,815			12,947,666	14,176,815
Related Services						
General, School, and central Administrative Services	7,911,976	7,868,580			7,911,976	7,868,580
Plant Operations and Maintenance	8,076,078	8,321,824			8,076,078	8,321,824
Pupil Transportation	5,713,851	5,647,451			5,713,851	5,647,451
Capital Outlay – Non Depreciable	27,501	135,337			27,501	135,337
Interest on Long Term Debt	92,889	-			92,889	-
Charter School	44,402	27,723			44,402	27,723
Food Service		-	1,643,110	1,095,866	1,643,110	1,095,866
School Aged Child Care			<u>245,141</u>	<u>362,871</u>	<u>245,141</u>	<u>362,871</u>
Total Expenditures and Transfers	<u>81,927,980</u>	<u>83,967,846</u>	<u>1,888,250</u>	<u>1,458,737</u>	<u>83,816,230</u>	<u>85,426,583</u>
Increase or (Decrease) in Net Position	<u>\$5,746,229</u>	<u>\$3,383,395</u>	<u>\$565,436</u>	<u>\$(75,201)</u>	<u>\$6,048,493</u>	<u>\$3,308,194</u>

### **Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 67.25% of revenues for governmental activities for the West Milford Township Public School District for fiscal year 2022. The District's total revenues were \$87,674,209 for the fiscal year ended June 30, 2022. Federal, state and local grants accounted for another 28.59%. The balance of the revenues is from other miscellaneous sources including interest, rentals, tuition, and budgeted fund balance.

### **Business-Type Activities**

Revenues for the District's Food Service Program were comprised of charges for services and federal and state reimbursements.

- ◆ Food service revenues exceeded expenses by \$454,662.
- ◆ Charges for services represent \$38,724 of revenue. This represents amount paid by patrons for daily food services. Additionally, non-operating revenues were \$142.
- ◆ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$2,059,048.

Revenues for the School Aged Child Care Program were comprised of registration fees and tuition charges.

- ◆ SACC (School Aged Child Care) revenues exceeded expenses by \$110,354.
- ◆ Charges for services represent \$355,495 of total revenue while non-operating revenues were \$277.

### **Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions with comparative data from 2020-21.

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**Table 3**

	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>	<u>Total Cost of Services 2021</u>	<u>Net Cost of Services 2021</u>
Instruction	\$47,113,616	\$45,019,277	\$40,790,116	\$46,554,338
Support Services				
Pupils and instructional staff	12,947,666	11,859,366	14,176,815	13,997,093
General, Central, and School Admin	7,911,976	7,911,976	7,868,580	7,868,580
Operations & Maintenance of Facilities	8,076,078	8,076,078	8,321,824	8,321,824
Pupil transportation	5,713,851	5,713,851	5,647,451	5,645,374
Interest on Long Term Debt	92,889	92,889	135,337	135,337
Other	<u>71,903</u>	<u>71,903</u>	<u>27,722</u>	<u>27,501</u>
Total governmental expenses	<u>\$81,927,980</u>	<u>\$78,745,341</u>	<u>\$83,967,845</u>	<u>\$82,550,047</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. Extracurricular activities includes expenses related to student activities provided by the School district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development. Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

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

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

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

Other includes unallocated depreciation, amortization and non-depreciable capital outlay.

### **The School District's Funds**

These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$90,365,119 and expenditures of \$96,959,782. Additionally, there were other financing activities (sources and uses) netting to \$7,976,242 of net financing sources.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year revenues.

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2021</u>	<u>Percent Increase (Decrease)</u>
<u>Revenue</u>				
Local Services	\$60,372,179	66.81%	\$1,380,723	2.34%
State Sources	27,709,401	30.66%	983,984	3.68%
Federal Sources	<u>2,283,538</u>	<u>2.53%</u>	<u>504,350</u>	28.35%
Total	<u>\$90,365,119</u>	<u>100.0%</u>	<u>\$2,869,058</u>	

The following schedule presents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2022.

	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2021</u>	<u>Percent Increase (Decrease)</u>
<u>Expenditures</u>				
Current:				
Instruction	\$29,803,273	30.74%	\$605,078.72	2.07%
Undistributed Expenditures	57,243,252	59.04%	3,779,921.67	7.07%
Capital Outlay	9,271,355	9.56%	6,145,625.96	196.61%
Non-instructional Services	-	0.00%	-	
Transfer to Charter School	44,402	0.05%	1,577.00	
Principal	500,000	0.52%	-	0.00%
Interest	<u>97,500</u>	<u>0.10%</u>	<u>(8,125.00)</u>	-7.69%
Total	<u>\$96,959,782</u>	<u>100.00%</u>	<u>\$10,524,078</u>	

### General Fund Budgeting Highlights

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

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

### Capital Assets

At the end of the fiscal year 2022, the School District had \$34,933,179 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2022 balances compared to 2021.

Capital Assets	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$2,327,249	\$2,327,249	\$	\$
Construction in Progress	975,430	421,513		
Building and Improvements	26,803,697	20,701,379		
Machinery and Equipment	<u>4,826,803</u>	<u>4,922,091</u>	<u>94,068</u>	<u>80,402</u>
	<u>\$34,933,179</u>	<u>\$28,372,232</u>	<u>\$94,068</u>	<u>\$80,402</u>

Overall capital assets increased \$6,560,946 from fiscal year 2021 to fiscal year 2022. The capital asset increase was due primarily to the completion of the greenhouse replacement, the Maple Road School roof replacement, and the fieldhouse. Additionally, there were purchase of various pieces of equipment throughout the District.

### Debt Administration

At June 30, 2022, the School District had total debt issued of \$6,500,000 with an outstanding balance of \$4,625,000. This debt was issued through serial bonds. In December 2015, the voters of West Milford Township approved a referendum to replace the roofs at the High School and Macopin School in the amount of \$7,990,000 of which \$6,500,000 was issued as debt in July 2016.

<u>Debt Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Balance Due</u>
Bonds of 2016	7/15/2016	<u>\$6,500,000</u>	<u>\$4,625,000</u>

### For the Future

The West Milford Township Public School District is in good financial condition presently. Major concerns facing the district include aging infrastructure, increased reliance on local property taxes, potential residential development, and increases in expenses which exceed the state imposed budget cap. Decreases in State Aid funding also present a major concern to the District's financial standing.

**For the Future**

The West Milford Township Public School District has committed itself to financial and educational excellence. The School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School district's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at West Milford Township Board of Education, 46 Highlander Drive, West Milford, N.J. 07480; 973-697-1700 extension 5051.



# **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**WEST MILFORD BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	10,210,531	436,806	10,647,337
Receivables, net	2,553,173	210,755	2,763,928
Internal Balances	-	-	-
Inventory	-	18,686	18,686
Restricted Assets:			
Cash and Cash Equivalents	2,894,678	-	2,894,678
Capital Assets:			
Land	2,327,249	-	2,327,249
Construction in Progress	975,430	-	975,430
Other Capital Assets, net	31,630,500	94,068	31,724,567
Total Assets	<u>50,591,562</u>	<u>760,314</u>	<u>51,351,876</u>
<b>Deferred Outflows:</b>			
Deferred Outflows of Resources Related to PERS	<u>1,780,581</u>	<u>-</u>	<u>1,780,581</u>
<b>Liabilities:</b>			
Accounts Payable:			
Other	753,724	84,042	837,767
Related to Pensions	1,369,065	-	1,369,065
Accrued Interest Payable	42,653	-	42,653
Intergov. Accounts Payables	129,447	-	129,447
Unearned Revenue	41,461	32,055	73,516
Noncurrent Liabilities:			
Due Within One Year	1,590,681	-	1,590,681
Due Beyond One Year	27,968,492	-	27,968,492
Total Liabilities	<u>31,895,523</u>	<u>116,097</u>	<u>32,011,620</u>
<b>Deferred Inflows:</b>			
Deferred Inflows of Resources Related to PERS	<u>9,859,421</u>	<u>-</u>	<u>9,859,421</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	22,183,508	94,068	22,277,576
Restricted for:			
Capital Projects	2,506,571	-	2,506,571
Maintenance	750,000	-	750,000
Excess Surplus	2,083,204	-	2,083,204
Unemployment Compensation	1,030,629	-	1,030,629
Scholarships	307,071	-	307,071
Student Activities	356,310	-	356,310
Other Purposes	2,812,220	-	2,812,220
Unrestricted	(21,412,315)	550,149	(20,862,166)
Total Net Position	<u><u>10,617,199</u></u>	<u><u>644,217</u></u>	<u><u>11,261,416</u></u>

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

WEST MILFORD BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	20,960,293	12,800,645	319,242	1,775,098	(31,666,599)	-	(31,666,599)
Special Education	6,901,403	4,640,837	-	-	(11,542,240)	-	(11,542,240)
Other Special Instruction	373,907	-	-	-	(373,907)	-	(373,907)
Other Instruction	1,436,531	-	-	-	(1,436,531)	-	(1,436,531)
Support Services:							
Tuition	2,775,994	-	-	-	(2,775,994)	-	(2,775,994)
Student & Instruction Related Services	7,623,901	2,547,771	699,691	388,609	(9,083,372)	-	(9,083,372)
General Administrative Services	1,203,399	414,966	-	-	(1,618,366)	-	(1,618,366)
School Administrative Services	2,433,113	1,966,954	-	-	(4,400,066)	-	(4,400,066)
Central Services and Admn. Info. Tech.	1,115,144	778,399	-	-	(1,893,544)	-	(1,893,544)
Plant Operations and Maintenance	6,017,115	2,058,963	-	-	(8,076,078)	-	(8,076,078)
Pupil Transportation	4,356,567	1,357,285	-	-	(5,713,851)	-	(5,713,851)
Capital Outlay - Non-depreciable	27,501	-	-	-	(27,501)	-	(27,501)
Charter School	44,402	-	-	-	(44,402)	-	(44,402)
Interest on Long-term Debt	92,889	-	-	-	(92,889)	-	(92,889)
Total Governmental Activities	55,362,159	26,565,821	1,018,933	2,163,706	(78,745,341)	-	(78,745,341)
<b>Business-type Activities:</b>							
Food Service	1,634,821	8,289	38,724	2,059,048	-	454,662	454,662
School Aged Child Care	244,889	252	355,495	-	-	110,354	110,354
Total Business-type Activities	1,879,710	8,541	394,219	2,059,048	-	565,017	565,017
Total Primary Government	57,241,868	26,574,362	1,413,152	4,222,754	(78,745,341)	565,017	(78,180,324)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					58,666,165	-	58,666,165
Taxes Levied for Debt Service					294,349	-	294,349
Federal and State Aid not Restricted					24,859,353	-	24,859,353
State Aid - Restricted for Debt Service					203,150	-	203,150
Investment Earnings - Unrestricted					30,719	419	31,138
Investment Earnings - Restricted					3,187	-	3,187
Federal Aid - Capital Outlay					60,022	-	60,022
Contributed Capital Assets					33,370	-	33,370
Miscellaneous Income - Unrestricted					275,906	-	275,906
Miscellaneous Income - Restricted					71,960	-	71,960
Loss on Disposal of Capital Assets					(6,611)	-	(6,611)
Total General Revenues, Special Items, Extraordinary Items and Transfers					84,491,570	419	84,491,989
Change in Net Position					5,746,229	565,436	6,311,665
Net Position, July 1					4,870,969	78,781	4,949,751
Net Position - Ending					10,617,199	644,217	11,261,416

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

**FUND FINANCIAL STATEMENTS**

WEST MILFORD BOARD OF EDUCATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets:</b>					
Cash and Cash Equivalents	9,082,936	663,381	364,213	100,001	10,210,531
Interfund Loan Receivables	59,879	-	-	-	59,879
Receivables from Federal Government	-	335,591	-	-	335,591
Receivables from State Government	1,859,052	-	-	-	1,859,052
Receivables from Other Governments	182,553	-	-	-	182,553
Other Accounts Receivable	175,949	-	-	-	175,949
Interest Receivable on Investments	28	-	-	-	28
Restricted Cash and Cash Equivalents	2,894,678	-	-	-	2,894,678
<b>Total Assets</b>	<b>14,255,075</b>	<b>998,972</b>	<b>364,213</b>	<b>100,001</b>	<b>15,718,261</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Interfund Loans Payable	-	57,558	2,321	-	59,879
Intergov. Accounts Payable - State	-	129,447	-	-	129,447
<b>Accounts Payable:</b>					
Payroll Deductions and Withholding Payable	11,608	-	-	-	11,608
Unemployment Compensation Claims Payable	41,124	-	-	-	41,124
Other	552,792	148,199	-	-	700,991
Unearned Revenue	41,073	388	-	-	41,461
<b>Total Liabilities</b>	<b>646,598</b>	<b>335,591</b>	<b>2,321</b>	<b>-</b>	<b>984,511</b>
<b>Fund Balances:</b>					
<b>Assigned to:</b>					
Other Purposes	720,155	-	-	-	720,155
Designated For Subsequent Year's expenditures	1,907,935	-	-	100,001	2,007,936
<b>Restricted for:</b>					
Capital Reserve Account	2,144,678	-	-	-	2,144,678
Maintenance Reserve Account	750,000	-	-	-	750,000
Excess Surplus	2,083,204	-	-	-	2,083,204
Excess Surplus Designated for Subsequent Year's Expenditures	2,092,065	-	-	-	2,092,065
Capital Projects Fund	-	-	361,893	-	361,893
Unemployment Compensation	1,030,629	-	-	-	1,030,629
Scholarships	-	307,071	-	-	307,071
Student Activities	-	356,310	-	-	356,310
<b>Unassigned:</b>					
General Fund	2,879,809	-	-	-	2,879,809
<b>Total Fund Balances (Deficit)</b>	<b>13,608,476</b>	<b>663,381</b>	<b>361,893</b>	<b>100,001</b>	<b>14,733,751</b>
<b>Total Liabilities and Fund Balances</b>	<b>14,255,075</b>	<b>998,972</b>	<b>364,213</b>	<b>100,001</b>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds. (42,653)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$67,812,145 and the accumulated depreciation is \$32,878,966. 34,933,179

Accounts Payable for subsequent Pension payment is not a payable in the funds (1,369,065)

Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.

Deferred Outflows of Resources Related to PERS Pension Liability 1,780,581

Deferred Inflows of Resources Related to PERS Pension Liability (9,859,421)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (29,559,173)

Net Position of Governmental Activities 10,617,199

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

**WEST MILFORD BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Local Sources:					
Local Tax Levy	58,666,165	-	-	294,349	58,960,514
Tuition Charges	319,242	-	-	-	319,242
Interest Earned on Capital Reserve Funds	3,187	-	-	-	3,187
Local Grants	-	710,651 *	-	-	710,651
Rents and Royalties	26,462	-	-	-	26,462
Other Restricted Miscellaneous Revenues	71,960	-	-	-	71,960
Unrestricted Miscellaneous Revenues	280,163	-	-	-	280,163
Total - Local Sources	<u>59,367,179</u>	<u>710,651</u>	<u>-</u>	<u>294,349</u>	<u>60,372,179</u>
State Sources	27,446,230	60,022	-	203,150	27,709,401
Federal Sources	130,792	2,152,747	-	-	2,283,538
Total Revenues	<u>86,944,200</u>	<u>2,923,419</u>	<u>-</u>	<u>497,499</u>	<u>90,365,119</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular Instruction	19,185,195	1,775,098	-	-	20,960,293
Special Education Instruction	6,901,403	-	-	-	6,901,403
Other Special Instruction	373,907	-	-	-	373,907
Other Instruction	1,567,670	-	-	-	1,567,670
Support Services and Undistributed Costs:					
Tuition	2,775,994	-	-	-	2,775,994
Student & Instruction Related Services	6,538,626	1,085,275 **	-	-	7,623,901
General Administrative Services	1,225,087	-	-	-	1,225,087
School Administrative Services	2,472,619	-	-	-	2,472,619
Central Services and Admin. Infor. Tech.	1,115,144	-	-	-	1,115,144
Plant Operations and Maintenance	6,848,382	-	-	-	6,848,382
Pupil Transportation	4,880,943	-	-	-	4,880,943
Unallocated Employee Benefits	30,301,182	-	-	-	30,301,182
Capital Outlay	8,555,790	60,022	655,543.33	-	9,271,355
Transfer to Charter School	44,402	-	-	-	44,402
Debt Service:					
Principal	-	-	-	500,000	500,000
Interest and Other Charges	-	-	-	97,500	97,500
Total Expenditures	<u>92,786,345</u>	<u>2,920,394</u>	<u>655,543</u>	<u>597,500</u>	<u>96,959,782</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>(5,842,145)</u>	<u>3,025</u>	<u>(655,543)</u>	<u>(100,001)</u>	<u>(6,594,664)</u>
<b>Other Financing Sources/(Uses)</b>					
Financed Purchases (non-budgeted)	7,976,242	-	-	-	7,976,242
Transfers in - from Capital Projects	459,164	-	(559,165)	100,001	-
Transfers in - from Capital Outlay	-	-	195,014	-	195,014
Transfers in - from Capital Reserve	-	-	718,420	-	718,420
Transfers out - to Capital Projects	(913,434)	-	-	-	(913,434)
Total Other Financing Sources and Uses	<u>7,521,972</u>	<u>-</u>	<u>354,269</u>	<u>100,001</u>	<u>7,976,242</u>
Net Change in Fund Balances	1,679,827	3,025	(301,274)	-	1,381,578
Fund Balance—July 1	<u>11,928,649</u>	<u>660,356</u>	<u>663,167</u>	<u>100,001</u>	<u>13,352,173</u>
Fund Balance—June 30	<u>13,608,476</u>	<u>663,381</u>	<u>361,893</u>	<u>100,001</u>	<u>14,733,751</u>

\* Special Revenue Fund now includes revenues from student activities and Scholarships.

\*\* Special Revenue Fund now includes expenditures from student activities and Scholarships.

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

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

**Total net change in fund balances - governmental funds (from B-2)** 1,381,578

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, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.

Depreciation Expense	(2,709,667)	
Contributed Capital Assets	33,370	
Capital Outlay	<u>9,243,854</u>	6,567,557

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

In the current year, these amounts consist of:

Principal Payments on Financed Purchases	1,547,976
Principal Payments on Bonds Payable	500,000

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 exceeds the earned amount the difference is an addition to the reconciliation (+).

(Increase) Decrease in Compensated Absences Payable	15,328
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District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District Pension Contributions	1,368,390	
Less: Pension Expense	<u>2,343,642</u>	
(Increase)/Decrease in Pension Expense		3,712,032

Per GASB No. 68 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

Decrease in On-behalf State Aid TPAF Pension	(8,321,645)
Decrease in On-behalf TPAF Pension Expense	8,321,645

Per GASB No. 75 Non-employer contributing entities are required to record an increases in revenue and expense for On-behalf TPAF post employment medical payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.

Increase in On-behalf State Aid TPAF Post Retirement Medical Revenue	5,603,977
Increase in On-behalf State Aid TPAF Post Retirement Medical Expense	(5,603,977)

Proceeds from debt issues are a financing source in the government funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Financed Purchase Proceeds	(7,976,242)
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In the statement of activities, a loss on the disposal of capital assets is reported, whereas in the governmental funds, capital assets are not reported. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed, net of depreciation.

Loss on Disposal of Capital Assets	(6,611)
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In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in accrued interest is an (increase)/decrease in the reconciliation.

Increase in Accrued Interest	<u>4,611</u>
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Change in net position of governmental activities	<u><u>5,746,229</u></u>
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**The accompanying Notes to the Basic Financial Statements are an integral part of this statement.**



**WEST MILFORD BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

	<b>Business-type Activities - Enterprise Funds</b>		<b>Total Enterprise Fund</b>
	<b>Food Service</b>	<b>School Age Child Care</b>	
<b>Assets:</b>			
Current Assets:			
Cash and Cash Equivalents	325,559	111,247	436,806
Intergovernmental Receivables:			
State	2,825	-	2,825
Federal	200,742	-	200,742
Other	5,053	2,135	7,188
Inventories	18,686	-	18,686
Total Current Assets	<u>552,864</u>	<u>113,382</u>	<u>666,247</u>
Non-Current Assets:			
Furniture, Machinery & Equipment	294,268	2,520	296,788
Less Accumulated Depreciation	<u>(201,569)</u>	<u>(1,151)</u>	<u>(202,720)</u>
Total Non-Current Assets	<u>92,699</u>	<u>1,369</u>	<u>94,068</u>
 Total Assets	 <u><u>645,563</u></u>	 <u><u>114,751</u></u>	 <u><u>760,314</u></u>
<b>Liabilities:</b>			
Current Liabilities:			
Accounts Payable			
Other	81,028	3,014	84,042
Deferred Revenue	30,949	1,106	32,055
Total Current Liabilities	<u>111,977</u>	<u>4,120</u>	<u>116,097</u>
<b>Net Position:</b>			
Invested in Capital Assets Net of Related Debt			
	92,699	1,369	94,068
Unreserved Retained Earnings	440,887	109,262	550,149
Total Net Position	<u>533,586</u>	<u>110,631</u>	<u>644,217</u>

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

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

	<b>Business-type Activities - Enterprise Fund</b>		<b>Total Enterprise Fund</b>
	<b>Food Service</b>	<b>School Age Child Care</b>	
<b>Operating Revenues:</b>			
Charges for Services:			
Daily Sales - Non-Reimbursable Programs	26,245	-	26,245
Special Functions	12,479	-	12,479
Program Fees	-	355,495	355,495
Total Operating Revenues	<u>38,724</u>	<u>355,495</u>	<u>394,219</u>
<b>Operating Expenses:</b>			
Cost of Sales- Reimbursable	737,549	-	737,549
Cost of Sales - Non-Reimbursable	11,519	-	11,519
Salaries	153,743	220,058	373,801
Employer's Share of Social Security	11,858	16,834	28,693
Employee Benefits	134,535	-	134,535
Purchased Prof-Ed. Services	9,327	585	9,912
Management Fees	63,000	-	63,000
Other Purchased Services	418,707	-	418,707
Repairs	11,711	-	11,711
General Supplies	64,287	7,411	71,698
Depreciation	8,289	252	8,541
Miscellaneous	18,584	-	18,584
Total Operating Expenses	<u>1,643,110</u>	<u>245,141</u>	<u>1,888,250</u>
Operating Income/(Loss)	<u>(1,604,386)</u>	<u>110,355</u>	<u>(1,494,031)</u>
<b>Non-Operating Revenues/(Expenses):</b>			
State Sources:			
State School Lunch Program	39,670	-	39,670
Federal Sources:			
National School Lunch Program	1,686,366	-	1,686,366
Supply-chain Assistance Program	66,802	-	66,802
After-school Snack Program	15,376	-	15,376
School Breakfast Program	126,318	-	126,318
Emergency Operational Cost Program	27,694	-	27,694
Food Distribution Program	96,821	-	96,821
Interest and Investment Revenue	142	277	419
Total Non-Operating Revenues/(Expenses)	<u>2,059,190</u>	<u>277</u>	<u>2,059,467</u>
Income/(Loss) Before Contributions & Transfers	454,805	110,631	565,436
Total Net Position - Beginning	<u>78,781</u>	<u>-</u>	<u>78,781</u>
Total Net Position—Ending	<u><u>533,586</u></u>	<u><u>110,631</u></u>	<u><u>644,217</u></u>

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

**WEST MILFORD BOARD OF EDUCATION**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Business-type Activities -</b>		<b>Total</b>
	<b>Enterprise Funds</b>		
	<b>Food</b>	<b>School Age</b>	<b>Enterprise</b>
	<b>Service</b>	<b>Child Care</b>	<b>Fund</b>
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers	31,172	355,202	386,374
Receipts/(Payments) for Interfunds	(9,526)	(2,247)	(11,772)
Payments to Employees	(153,743)	(220,058)	(373,801)
Payments to Suppliers	(1,568,352)	(24,012)	(1,592,364)
Net Cash Provided by/(Used for) Operating Activities	<u>(1,700,449)</u>	<u>108,885</u>	<u>(1,591,564)</u>
<b>Cash Flows from Non-capital Financing Activities</b>			
State Sources	44,005	-	44,005
Federal Sources	1,994,094	-	1,994,094
Net Cash Provided by/(Used for) Non-capital Financing Activities	<u>2,038,099</u>	<u>-</u>	<u>2,038,099</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchases of Capital Assets	(22,206)	-	(22,206)
Net Cash Provided by/(Used for) Capital and Related Financing Activities	<u>(22,206)</u>	<u>-</u>	<u>(22,206)</u>
<b>Cash Flows from Investing Activities</b>			
Interest and Dividends	142	277	419
Net Cash Provided by/(Used for) Investing Activities	<u>142</u>	<u>277</u>	<u>419</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	315,587	109,162	424,748
Balances—Beginning of Year	<u>9,972</u>	<u>2,086</u>	<u>12,058</u>
Balances—End of Year	<u><u>325,559</u></u>	<u><u>111,247</u></u>	<u><u>436,806</u></u>
<b>Reconciliation of Operating Income/(loss) to Net Cash Provided/</b>			
<b>(Used) by Operating Activities:</b>			
Operating Income/(Loss)	(1,604,386)	110,355	(1,494,031)
Adjustments to Reconcile Operating Loss to Net Cash			
Provided by/(Used for) Operating Activities			
Depreciation	8,289	252	8,541
(Increase)/Decrease in Accounts Receivable	(2,196)	(236)	(2,432)
(Increase)/Decrease in Inventories	2,536	-	2,536
Increase/(Decrease) in Accounts Payable	(89,810)	818	(88,991)
Increase/(Decrease) in Interfund Payable	(9,526)	(2,247)	(11,772)
Increase/(Decrease) in Deferred Revenue	(5,356)	(57)	(5,413)
Total Adjustments	<u>(96,063)</u>	<u>(1,469)</u>	<u>(97,533)</u>
Net Cash Provided by/(Used for) Operating Activities	<u><u>(1,700,449)</u></u>	<u><u>108,885</u></u>	<u><u>(1,591,564)</u></u>

Non-cash Non-capital Financing Activities:

During the year, the District received \$96,821 of food commodities from the U.S. Department of Agriculture.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Board of Education (“Board”) of the Township of West Milford School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Township of West Milford School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board’s duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**A. Basis of Presentation:**

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

**District-wide Financial Statements:**

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

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

**Fund Financial Statements:**

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**GOVERNMENTAL FUNDS**

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

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**PROPRIETARY FUNDS**

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

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

The Board's Enterprise Fund is comprised of the Food Service Fund and the School Age Child Care.

**FIDUCIARY FUNDS**

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

**B. Measurement Focus:**

**District-wide Financial Statements**

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



**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Measurement Focus: (continued)**

**Fund Financial Statements**

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

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

**C. Basis of Accounting:**

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

**Revenues - Exchange and Non-exchange Transactions**

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

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basis of Accounting: (continued)**

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

grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

**Expenses/Expenditures**

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

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

**D. Budgets/Budgetary Control:**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did make material supplemental budgetary appropriations during the fiscal year, \$517,000 for Capital Outlay.

**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Budgets/Budgetary Control:**(continued)

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

**E. Encumbrances:**

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

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

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

**F. Cash, Cash Equivalents and Investments:**

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Cash, Cash Equivalents and Investments:(continued)**

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

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

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

**G. Tuition Revenues/Receivable:**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**H. Tuition Payable:**

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

**I. Inventories:**

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Prepaid Items:**

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**K. Short-Term Interfund Receivables/Payables:**

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

**L. Capital Assets:**

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

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 29, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Compensated Absences:**

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

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

**N. Unearned revenue:**

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

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

**O. Accrued Liabilities and Long-term Obligations:**

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

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

**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. Accounting and Financial Reporting for Pensions**

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

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

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

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

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

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

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

**R. Fund Balances:**

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

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).



**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**R. Fund Balances: (continued)**

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

**S. Net Position:**

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**T. Operating Revenues and Expenses:**

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

**U. Extraordinary and Special Items:**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

**V. Allocation of Indirect Expenses:**

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

**W. Use of Estimates:**

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**X. New Accounting Standard:**

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

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

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2022, \$-0- of the District's bank balance of \$15,930,484 was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

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

**Credit Risk**

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)**

**Concentration of Credit Risk**

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

**NOTE 4. RECEIVABLES**

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

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
State Aid	\$2,001,991	\$2,825	\$2,004,816
Federal Aid	335,591	200,742	536,333
Interfunds	59,879	-	-
Other	<u>215,591</u>	<u>7,188</u>	<u>222,779</u>
Gross Receivables	2,613,052	210,755	2,763,928
Less: Allowance for Uncollectibles	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Receivables, Net	<u>\$2,613,052</u>	<u>\$210,755</u>	<u>\$2,763,928</u>

**NOTE 5. INTERFUND BALANCES AND ACTIVITY**

Balance due to/from other funds at June 30, 2022 consist of the following:

\$57,558	Due to the General Fund from the Special Revenue Fund for short-term loans.
<u>2,321</u>	Due to the General Fund from the Capital Projects Fund for interest earned and cash receipt due to General Fund.
<u>\$59,879</u>	

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 5. INTERFUND BALANCES AND ACTIVITY (continued)**

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

\$913,434	From the General Fund capital outlay and capital reserve to fund capital projects.
459,164	From Capital Projects to General Fund Capital Outlay and Capital Reserve
<u>100,001</u>	From the capital projects fund to the debt service fund for future debt payments
<u>\$1,472,599</u>	

**NOTE 6. INTERFUND LOAN RECEIVABLE**

The Special Revenue Account owes the General Fund for a cash advance to cover the expenses made in the Special Revenue Fund not received in cash from the State.

\$57,558

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**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 7. CAPITAL ASSETS**

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

	<b>Balance 6/30/21</b>	<b>Additions</b>	<b>Deletions</b>	<b>Adjustments</b>	<b>Balance 6/30/22</b>
<b>Governmental Activities:</b>					
Capital Assets Not Being					
Land	\$2,327,249	-	-	\$	\$2,327,249
Construction in Progress	421,513	521,476	-	32,441	975,430
Total Capital Assets Not Being Depreciated	<u>2,748,762</u>	<u>521,476</u>	<u>0</u>	<u>32,441</u>	<u>3,302,679</u>
Capital Assets Being Depreciated:					
Building and Improvements	43,180,716	7,706,489	(40,456)		50,846,749
Machinery & Equipment	13,307,681	1,049,260	(661,783)	(32,441)	13,662,717
Totals at Historical Cost	<u>56,488,397</u>	<u>8,755,749</u>	<u>(702,239)</u>	<u>(32,441)</u>	<u>64,509,466</u>
Less Accumulated Depreciation:					
Building and Improvements	(22,479,337)	(1,599,741)	36,026		(24,043,052)
Equipment	(8,385,590)	(1,109,926)	659,602		(8,835,914)
Total Accumulated Depreciation	<u>(30,864,927)</u>	<u>(2,709,667)</u>	<u>695,628</u>		<u>(32,878,966)</u>
Total Capital Assets Being Net of Accumulated Depreciation	<u>25,623,471</u>	<u>6,046,082</u>	<u>(6,611)</u>	<u>(32,441)</u>	<u>31,662,942</u>
Governmental Activities Capital Assets, Net	<u>28,372,233</u>	<u>6,567,558</u>	<u>(6,611)</u>	<u>0</u>	<u>34,933,180</u>
<b>Business Type Activities:</b>					
Equipment:					
Food Services	272,062	22,206	-	-	294,268
School Age Child Care	2,520	-	-	-	2,520
Total	<u>274,582</u>	<u>22,206</u>	<u>-</u>	<u>-</u>	<u>296,788</u>
Less Accumulated Depreciation:					
Equipment:					
Food Services	(193,281)	(8,289)	-	-	(201,570)
Community School	(899)	(252)	-	-	(1,151)
	<u>(194,180)</u>	<u>(8,541)</u>	<u>-</u>	<u>-</u>	<u>(202,721)</u>
<b>Business Type Activities Capital Assets, Net</b>	<u>\$80,402</u>	<u>\$13,665</u>	<u>-</u>	<u>-</u>	<u>\$94,067</u>

**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 7. CAPITAL ASSETS (continued)**

Depreciation expense was charged to functions as follows:

Instruction:

Regular Education	\$1,659,821
Special Education	115,325
Student & Instruction Related Services	228,953
General Administration	42,810
School Administration	79,932
Central Services & Admin. Info. Tech.	42,810
Plant Operations & Maintenance	291,734
Pupil Transportation	<u>248,282</u>
 Total Depreciation Expense	 <u><u>\$2,709,667</u></u>

**NOTE 8. LONG-TERM OBLIGATION ACTIVITY**

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

	<u>Balance</u> <u>June 30, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Financed Purchases Payable	\$1,696,405	\$7,976,242	\$1,547,977	\$8,124,670	\$1,065,681
Compensated Absences	2,982,796	59,803	75,131	2,967,468	-
Bonds Payable	5,125,000	-	500,000	4,625,000	525,000
Net Pension Liability-PERS	<u>19,549,938</u>	<u>-</u>	<u>5,707,904</u>	<u>13,842,034</u>	<u>-</u>
	<u><u>\$29,354,139</u></u>	<u><u>\$8,036,045</u></u>	<u><u>\$7,831,012</u></u>	<u><u>\$29,559,172</u></u>	<u><u>\$1,590,681</u></u>

**A. Bonds Payable:**

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

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

**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 8. LONG-TERM OBLIGATION ACTIVITY (continued)**

A. Bonds Payable: (continued)

Outstanding Bonds Payable at June 30, 2022 consisted of the following:

<u>Issue</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2021</u>
School Bonds of 2016	7/15/16	1.00-2.00%	7/15/29	<u>\$4,625,000</u>

Principal and interest due on serial bonds outstanding is as follow:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$525,000	\$87,250	\$612,250
2024	525,000	76,750	601,750
2025	550,000	66,000	616,000
2026	550,000	55,000	605,000
2027	590,000	43,600	633,600
2028-2030	<u>1,885,000</u>	<u>57,750</u>	<u>1,942,750</u>
Total	<u>\$4,625,000</u>	<u>\$386,350</u>	<u>\$5,011,350</u>

B. Financed Purchases Payable:

The District entered into a Financed Purchases agreement to fund an Energy Savings Incentive Program (ESIP) in 2020. The proceeds of that agreement totaled \$7,490,000 to be repaid over a 20 year period with an interest rate of 2.123%. The project was completed in 2022 with total costs of \$7,212,401. The unspent funds, plus interest earned on deposits will be applied to the October 15, 2022 payment. The District also has Financed Purchases for various equipment. All equipment Financed Purchases are for terms between three to eight years.



**Township of West Milford School District**  
**Notes to the Basic Financial Statements**  
**for the Fiscal Year Ended June 30, 2022**

**NOTE 8. LONG-TERM OBLIGATION ACTIVITY (continued)**

**B. Financed Purchases Payable: (continued)**

The following is a schedule of the future minimum Financed Purchases payments, and the present value of the net minimum Financed Purchases payments at June 30, 2022.

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$1,258,090
2024	1,008,907
2025	815,579
2026	627,889
2027	466,740
2028-2032	2,497,819
2033-2037	2,280,843
2038	<u>418,262</u>
Total Minimum Financed Purchases Payments	9,374,128
Less: Amount representing interest	<u>(1,316,498)</u>
Present Value of net minimum Financed Purchases	<u>\$8,057,630</u>

Maturities of Financed Purchases payable are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$1,057,327
2024	841,871
2025	676,533
2026	508,776
2027	361,160
2028-2032	2,092,910
2033-2037	2,109,487
2038	<u>409,567</u>
Total	<u>\$8,057,630</u>

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS**

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

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

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**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS: (continued)**

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS: (continued)**

Benefits Provided

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

The following represents the membership tiers for PERS:

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

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

Defined Contribution Retirement Program

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

Defined Contribution Retirement Program (continued)

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

Contributions Requirements Fund Based Statements

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

<u>Year Ending</u>	<u>PERS</u>	<u>DCRP</u>
6/30/22	\$1,368,390	\$48,790
6/30/21	1,311,472	45,694
6/30/20	1,163,875	39,954

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

<u>Year Ending</u>	<u>Pension Contributions</u>	<u>Post-Retirement Medical Contributions</u>	<u>NCGI Premium</u>	<u>LTD Liability</u>
6/30/22	\$11,400,591	\$2,701,219	\$160,846	\$3,328
6/30/21	8,325,168	2,658,617	158,397	4,019
6/30/20	6,415,727	2,422,778	114,995	4,734

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$2,146,895 during the year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

**Public Employees Retirement System (PERS)**

At June 30, 2022, the District had a liability of \$13,842,034 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2021, the District's proportion was 0.1168449357 percent, which was a decrease of 0.0030390191 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$(2,343,642). At June 30, 2022, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$218,307	\$99,093
Changes of assumptions	72,089	4,927,854
Net difference between projected and actual earnings on pension plan investments	-	3,646,356
Changes in proportion	121,120	1,186,118
District contributions subsequent to the measurement date	<u>1,369,065</u>	<u>                    </u>
Total	<u>\$1,780,581</u>	<u>\$9,859,421</u>

The \$1,369,065 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

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

Year ended June 30:	
2022	(\$3,266,117)
2023	(2,332,000)
2024	(1,590,026)
2025	(1,195,227)
2026	465

**Changes in Proportion**

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

**Additional Information**

Local Group Collective balances at June 30, 2021 and June 30, 2020 are as follows:

	June 30, 2021	June 30, 2020
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	11,846,499,172	16,435,616,426
District's Proportion	0.1168449357%	0.1198839548%

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

**Public Employees Retirement System (PERS) (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 rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation	2.25 Percent
Salary Increases:	
Through 2026	1.65-4.15 Percent (based on age)
Thereafter	2.65-5.15 Percent (based on age)
Investment Rate of Return	7.00 Percent

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

**Mortality Rates**

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality 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 a 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.



**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

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

**Long-Term Rate of Return**

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

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

**Discount Rate**

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

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

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

	1% Decrease 6.00%	June 30, 2021 At Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the pension liability	\$19,050,985	\$13,842,034	\$9,694,280

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

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

**Pension Plan Fiduciary Net Position**

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

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

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

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

Net Pension Liability:

District’s proportionate share	\$ -
State's proportionate share associated with the District	<u>137,685,138</u> <u>\$137,685,138</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2021, the proportion of the TPAF net pension liability associated with the District was 0.2863954181%.

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

For the year ended June 30, 2022, the District recognized on-behalf pension expense and revenue of \$3,239,792 for contributions provided by the State in the District-Wide Financial Statements.

**Actuarial Assumptions**

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

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

**Mortality Rates**

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with an 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and a 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Long-Term Expected Rate of Return**

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 9. PENSION PLANS (continued)**

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

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Discount Rate**

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

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

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

**NOTE 10. POST-RETIREMENT BENEFITS:**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan**

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Required OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as "the employers") for which the State is legally obligated to pay for benefits. The State Required OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premium or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retirees on a

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 10. POST EMPLOYMENT BENEFITS (continued)**

**State Health Benefit State Retired Employees Plan, (continued)**

disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP).

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

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan is administered on a "pay-as-you-go" basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No.75. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 10. POST EMPLOYMENT BENEFITS (continued)**

*Total OPEB Liability*

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level for the State Health Benefit Local Education Retired Employee's Plan and is not specific to the board of education/board of trustees, and could be found at <https://www.state.nj.us/treasury/pensions/GASBnotices> OPEB.

The portion of the OPEB Liability that was associated with the District recognized at June 30, 2020 was as follows:

*Total OPEB Liability (continued)*

OPEB Liability:		
District's proportionate share	\$	-
State's proportionate share associated with the District		<u>193,839,070</u>
		<u>\$193,839,070</u>

*Actual Assumptions and Other Inputs*

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



**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 10. POST EMPLOYMENT 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 actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%	
	<u>TPAF/ABP</u>	<u>PERS</u>
Salary increases:		
Through 2026	1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter	2.75 - 5.65% based on service years	3.00 - 7.00% based on service years

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

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**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 10. POST EMPLOYMENT BENEFITS (continued)**

**Total Nonemployer OPEB Liability (continued)**

The actuarial assumptions used in the June 30, 2021 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.

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

**(a) *Health Care Trend Assumptions***

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.0% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**(b) *Discount Rate***

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

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

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

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 10. POST EMPLOYMENT BENEFITS (continued)**

**Total Nonemployer OPEB Liability (continued)**

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

For the year ended June 30, 2021, the board of education/board of trustees recognized on-behalf OPEB expense of \$8,305,196 in the district-wide financial statements as determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75 and in which there is a special funding situation.

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

**NOTE 11. RISK MANAGEMENT**

As a member of the Pool, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would become responsible for their respective shares of the Pool's liabilities. However, this Pool has fully reinsured the exposures above all limits subscribed to by its members.

The Pool can declare and distribute dividends to members upon arrival of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Financial statements for the Pool are available at the office of the Pool's administrator, 44 Bergen Street, P.O. Box 270, Westwood, New Jersey 07675.

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

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

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 11. RISK MANAGEMENT, (continued)**

Fiscal Year	Interest Earnings/ District Contributions	Employee Contributions	State of NJ Reimbursement	Balance
2021-2022	\$1,878	\$70,082	\$0	\$1,030,629
2020-2021	5,002	65,423	0	958,669
2019-2020	19,661	65,887	114,459	888,243

**NOTE 12. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Township of West Milford Board of Education by inclusion of \$10,000 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). A district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-2.14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2021	\$2,038,702
Increased by:	
Cancellation of Capital Projects	321,209
Interest Earnings	3,187
Deposit - Board Resolution	<u>500,000</u>
	2,863,098
Decreased by:	
Budgeted Withdrawal from Capital Reserve	<u>718,420</u>
Ending balance, June 30, 2022	<u><u>\$2,144,678</u></u>

The balance in the capital reserve account at June 30, 2022, does not exceed the balance of local support costs of uncompleted capital projects in its LRFP. Withdrawals from the capital reserve were for use in a DDE approved facilities project, consistent with the District's long-range facilities plan.

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 13. MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the Board of Education resolution adopted on June 26, 2012 in the amount of \$500,000. The account is maintained in the general fund. The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

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

Beginning balance, July 1, 2021	\$600,000
Deposit - Board Resolution	300,000
Budgeted withdrawal from	<u>(150,000)</u>
Ending balance, June 30, 2022	<u>\$750,000</u>

**NOTE 14. FUND BALANCE APPROPRIATED**

**General Fund (Exhibit B-1)** - Of the \$13,608,476 General Fund fund balance at June 30, 2022, \$720,155 is reserved for encumbrances; \$4,175,269 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7; \$2,092,065 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023; \$2,144,678 has been reserved in the Capital Reserve Account; \$750,000 has been reserved in the Maintenance Reserve Account; \$1,030,629 has been reserved in the Unemployment Account; \$1,907,935 has been designated as revenue for the year ending June 30, 2023; and \$2,879,809 is unreserved and undesignated.

**Debt Service Fund (Exhibit B-1)** - Of the \$100,001 Debt Service Fund fund balance at June 30, 2022, \$100,001 has been appropriated and included as anticipated revenue for the year ending June 30, 2023.

**NOTE 15. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$4,175,269 of which \$2,083,204 is the result of current year operations.

**Township of West Milford School District  
Notes to the Basic Financial Statements  
for the Fiscal Year Ended June 30, 2022**

**NOTE 16. INVENTORY**

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

Food	11,153
Supplies	<u>7,533</u>
	<u>\$18,686</u>

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

**NOTE 17. CONTINGENT LIABILITIES**

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

Litigation - The District's General Counsel and Special Legal Counsel advises us that there are no material litigation pending against the Board.

**NOTE 18. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through February 16, 2023, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**



**WEST MILFORD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Revenues:</b>					
<b>Local Sources:</b>					
Local Tax Levy	58,666,165	-	58,666,165	58,666,165	-
Tuition - Individuals	40,000	-	40,000	48,000	8,000
Tuition From Other LEAS Within the State	185,000	-	185,000	132,374	(52,626)
Tuition From Other Sources	-	-	-	138,868	138,868
Transportation Fees From Other LEAS	40,000	-	40,000	-	(40,000)
Interest Income on Operating Accounts	-	-	-	30,719	30,719
Rents and Royalties	125,000	-	125,000	26,462	(98,538)
Unrestricted Miscellaneous Revenue	200,000	-	200,000	249,444	49,444
Interest Earned on Capital Reserve Funds	500	-	500	3,187	2,687
Other Restricted Miscellaneous Revenue	-	-	-	71,960 *	71,960
Total - Local Sources	<u>59,256,665</u>	<u>-</u>	<u>59,256,665</u>	<u>59,367,179</u>	<u>110,514</u>
<b>State Sources:</b>					
Categorical Transportation Aid	842,009	-	842,009	842,009	-
Extraordinary Aid	800,000	-	800,000	1,727,974	927,974
Categorical Special Education Aid	2,725,234	-	2,725,234	2,725,234	-
Equalization Aid	4,950,596	-	4,950,596	4,950,596	-
Categorical Security Aid	339,929	-	339,929	339,929	-
Non-Public Transportation Aid	-	-	-	21,170	21,170
State Reimbursement from Securing Our Children's Future Bond Act	-	-	-	184,847	184,847
On-behalf TPAF Pension (non-budgeted)	-	-	-	11,400,591	11,400,591
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	160,846	160,846
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	2,701,219	2,701,219
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,328	3,328
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,146,895	2,146,895
Total State Sources	<u>9,657,768</u>	<u>-</u>	<u>9,657,768</u>	<u>27,204,638</u>	<u>17,546,870</u>
<b>Federal Sources:</b>					
Medicaid Reimbursement	114,209	-	114,209	130,792	16,583
Total Federal Sources	<u>114,209</u>	<u>-</u>	<u>114,209</u>	<u>130,792</u>	<u>16,583</u>
Total Revenues	<u>69,028,642</u>	<u>-</u>	<u>69,028,642</u>	<u>86,702,608</u>	<u>17,673,966</u>
<b>Expenditures:</b>					
<b>General Current Expenses:</b>					
<b>Regular Programs - Instruction:</b>					
Kindergarten - Salaries of Teachers	873,963	52,000	925,963	918,111	7,852
Grades 1-5 - Salaries of Teachers	6,394,855	298,677	6,693,532	6,676,354	17,178
Grades 6-8 - Salaries of Teachers	4,021,380	(279,390)	3,741,990	3,724,915	17,075
Grades 9-12 - Salaries of Teachers	6,444,591	100,700	6,545,291	6,536,116	9,175
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	40,000	26,000	66,000	62,811	3,189
Purchased Professional-Educational Services	25,000	15,000	40,000	32,652	7,348
<b>Regular Programs - Undistributed Instruction</b>					
Other Salaries for Instruction	326,007	(83,280)	242,727	237,962	4,765
Purchased Professional-Educational Services	142,364	27,975	170,339	165,086	5,252
Purchased Technical Services	8,700	(240)	8,460	7,527	934
Other Purchased Services (400-500 Series)	42,064	-	42,064	34,281	7,783
General Supplies	996,278	(21,360)	974,918	719,763	255,155
Textbooks	68,374	1,921	70,295	62,312	7,983
Other Objects	11,770	(2,620)	9,150	7,305	1,845
Total Regular Programs - Instruction	<u>19,395,346</u>	<u>135,383</u>	<u>19,530,729</u>	<u>19,185,195</u>	<u>345,534</u>
<b>Learning and/or Language Disabilities - Mild to Moderate</b>					
Salaries of Teachers	451,700	(48,000)	403,700	395,775	7,925
Other Salaries for Instruction	239,748	(15,000)	224,748	218,163	6,585
General Supplies	2,283	-	2,283	1,349	934
Textbooks	410	-	410	-	410
Total Learning and/or Language Disabilities - Mild to Moderate	<u>694,141</u>	<u>(63,000)</u>	<u>631,141</u>	<u>615,287</u>	<u>15,854</u>
<b>Emotional Regulation Impairment</b>					
Salaries of Teachers	404,675	52,352	457,027	455,500	1,527
Other Salaries for Instruction	286,442	(15,352)	271,090	259,252	11,838
General Supplies	8,230	3,000	11,230	10,236	994
Other Objects	750	-	750	312	438
Total Emotional Regulation Impairment	<u>700,097</u>	<u>40,000</u>	<u>740,097</u>	<u>725,300</u>	<u>14,797</u>
<b>Multiple Disabilities:</b>					
Salaries of Teachers	156,000	60,000	216,000	215,997	4
Other Salaries for Instruction	145,541	96,500	242,041	241,061	980
General Supplies	1,845	415	2,260	2,018	242
Textbooks	415	(415)	-	-	-
Total Multiple Disabilities	<u>303,801</u>	<u>156,500</u>	<u>460,301</u>	<u>459,076</u>	<u>1,225</u>
<b>Resource Room/Resource Center:</b>					

**WEST MILFORD BOARD OF EDUCATION  
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GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

**Exhibit C-1  
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Salaries of Teachers	3,620,885	(45,000)	3,575,885	3,571,612	4,273
Other Salaries for Instruction	637,933	-	637,933	630,877	7,056
General Supplies	13,436	3,400	16,836	14,358	2,478
Textbooks	1,000	(550)	450	424	26
Other Objects	-	1,000	1,000	-	1,000
<b>Total Resource Room/Resource Center</b>	<u>4,273,254</u>	<u>(41,150)</u>	<u>4,232,104</u>	<u>4,217,271</u>	<u>14,833</u>
<b>Autism:</b>					
Salaries of Teachers	387,200	(85,000)	302,200	292,066	10,134
Other Salaries for Instruction	248,492	15,000	263,492	248,700	14,792
General Supplies	10,061	-	10,061	10,054	7
<b>Total Autism</b>	<u>645,753</u>	<u>(70,000)</u>	<u>575,753</u>	<u>550,820</u>	<u>24,933</u>
<b>Preschool Disabilities - Part-Time:</b>					
Salaries of Teachers	179,155	-	179,155	171,193	7,962
Other Salaries for Instruction	153,988	-	153,988	139,229	14,759
General Supplies	4,841	-	4,841	2,145	2,696
<b>Total Preschool Disabilities - Part-Time</b>	<u>337,984</u>	<u>-</u>	<u>337,984</u>	<u>312,567</u>	<u>25,417</u>
<b>Home Instruction</b>					
Purchased Professional - Educational Services	35,000	25,000	60,000	21,082	38,918
<b>Total Home Instruction</b>	<u>35,000</u>	<u>25,000</u>	<u>60,000</u>	<u>21,082</u>	<u>38,918</u>
<b>Total Special Education - Instruction</b>	<u>6,990,031</u>	<u>47,350</u>	<u>7,037,381</u>	<u>6,901,403</u>	<u>135,978</u>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of Teachers	245,000	31,000	276,000	272,038	3,962
General Supplies	3,275	-	3,275	3,043	232
<b>Total Basic Skills/Remedial - Instruction</b>	<u>248,275</u>	<u>31,000</u>	<u>279,275</u>	<u>275,080</u>	<u>4,195</u>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	96,050	1,000	97,050	96,950	100
Other Purchased Services (400-500 Series)	600	20	620	620	-
General Supplies	1,257	-	1,257	1,257	0
Other Objects	130	(20)	110	-	110
<b>Total Bilingual Education - Instruction</b>	<u>98,037</u>	<u>1,000</u>	<u>99,037</u>	<u>98,826</u>	<u>211</u>
<b>School-Spon. Co/Extra Curr. Actvts. - Instruction</b>					
Salaries	208,003	(2,780)	205,223	165,295	39,928
Other Objects	4,000	-	4,000	2,411	1,589
<b>Total School-Spon. Co/Extra Curr. Actvts. - Instruction</b>	<u>212,003</u>	<u>(2,780)</u>	<u>209,223</u>	<u>167,706</u>	<u>41,517</u>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	658,133	-	658,133	581,688	76,445
Purchased Services (300-500 Series)	182,270	-	182,270	126,884	55,386
Supplies and Materials	105,065	(4,400)	100,665	67,818	32,847
Other Objects	102,217	-	102,217	79,874	22,342
<b>Total School-Sponsored Athletics - Instruction</b>	<u>1,047,685</u>	<u>(4,400)</u>	<u>1,043,285</u>	<u>856,264</u>	<u>187,021</u>
<b>Other Suppl/At-Risk Prog - Instruction</b>					
Salaries of Reading Specialists	538,500	8,000	546,500	543,700	2,800
<b>Total Other Suppl/At-Risk - Instruction</b>	<u>538,500</u>	<u>8,000</u>	<u>546,500</u>	<u>543,700</u>	<u>2,800</u>
<b>Total Instruction</b>	<u>28,529,876</u>	<u>215,553</u>	<u>28,745,430</u>	<u>28,028,175</u>	<u>717,254</u>
<b>Undistributed Expenditures - Instruction (Tuition)</b>					
Tuition to Other LEAS Within the State - Regular	54,386	1	54,386	-	54,386
Tuition to Other LEAS Within the State - Special	103,989	-	103,989	65	103,924
Tuition to County Voc. School Dist.- Regular	1,070,952	-	1,070,952	1,061,430	9,522
Tuition to County Voc. School Dist.- Special	69,404	-	69,404	27,940	41,464
Tuition to CSSD & Reg. Day Schools	606,150	-	606,150	474,618	131,532
Tuition to Priv.Sch. for the Disabled W/I State	1,847,247	(204,220)	1,643,027	1,211,941	431,086
<b>Total Undistributed Expenditures - Instruction (Tuition)</b>	<u>3,752,128</u>	<u>(204,220)</u>	<u>3,547,908</u>	<u>2,775,994</u>	<u>771,914</u>
<b>Undist. Expend.-Attendance and Social Work</b>					
Salaries	28,304	511	28,815	28,815	-
<b>Total Undist. Expend. - Attendance and Social Work</b>	<u>28,304</u>	<u>511</u>	<u>28,815</u>	<u>28,815</u>	<u>-</u>
<b>Undist. Expenditures- Health Services</b>					
Salaries	706,500	(209,791)	496,709	489,075	7,634
Purchased Professional and Technical Services	80,536	(2,000)	78,536	57,444	21,092
Supplies and Materials	43,154	(7,185)	35,969	22,905	13,064
<b>Total Undist. Expenditures- Health Services</b>	<u>830,190</u>	<u>(218,976)</u>	<u>611,214</u>	<u>569,424</u>	<u>41,790</u>

**WEST MILFORD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

**Exhibit C-1  
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend.-Speech, OT, PT and Related SVCS</b>					
Salaries	1,158,375	10,000	1,168,375	1,167,613	762
Purchased Professional - Educational Services	385,074	-	385,074	179,903	205,172
Supplies and Materials	31,894	(8,850)	23,044	19,706	3,338
Total Undist. Expend.-Speech, OT, PT and Related SVCS	<u>1,575,343</u>	<u>1,150</u>	<u>1,576,493</u>	<u>1,367,222</u>	<u>209,271</u>
<b>Undist. Expend. - Extraordinary Services</b>					
Purchased Professional - Educational Services	166,560	(4,840)	161,720	14,156	147,564
Total Undist. Expend. - Extraordinary Services	<u>166,560</u>	<u>(4,840)</u>	<u>161,720</u>	<u>14,156</u>	<u>147,564</u>
<b>Undist. Expenditures - Guidance</b>					
Salaries of Other Professional Staff	806,600	1,780	808,380	807,311	1,069
Salaries of Secretarial and Clerical Assistants	157,470	3,500	160,970	160,958	12
Purchased Professional - Educational Services	1,250	-	1,250	613	637
Other Purchased Prof. And Tech. Services	24,500	-	24,500	19,584	4,916
Supplies and Materials	12,530	-	12,530	9,766	2,764
Total Undist. Expenditures - Guidance	<u>1,002,350</u>	<u>5,280</u>	<u>1,007,630</u>	<u>998,232</u>	<u>9,398</u>
<b>Undist. Expenditures -Child Study Teams</b>					
Salaries of Other Professional Staff	2,046,713	-	2,046,713	2,042,030	4,683
Salaries of Secretarial and Clerical Assistants	235,181	7,750	242,931	242,320	611
Purchased Professional - Educational Services	18,614	-	18,614	-	18,614
Other Purchased Services (400-500 series)	1,908	-	1,908	1,908	-
Supplies and Materials	26,278	-	26,278	12,852	13,426
Other Objects	2,855	-	2,855	1,134	1,721
Total Undist. Expenditures -Child Study Teams	<u>2,331,549</u>	<u>7,750</u>	<u>2,339,299</u>	<u>2,300,244</u>	<u>39,055</u>
<b>Undist. Expend.-Improv. Of Inst. Serv.</b>					
Sal of Supervisor of Instruction	636,923	(79,075)	557,848	550,020	7,828
Sal of Secr and Clerical Assist.	26,000	1,200	27,200	27,135	65
Other Purchased Services (400-500)	9,550	-	9,550	4,021	5,529
Supplies and Materials	450	-	450	-	450
Other Objects	11,490	-	11,490	1,214	10,277
Total Undist. Expend.-Improv. Of Inst. Serv.	<u>684,413</u>	<u>(77,875)</u>	<u>606,538</u>	<u>582,390</u>	<u>24,148</u>
<b>Undist. Expend.-Edu. Media Serv./Library</b>					
Salaries	470,025	13,000	483,025	482,425	600
Supplies and Materials	98,434	(220)	98,215	92,612	5,602
Other Objects	175	-	175	-	175
Total Undist. Expend.-Edu. Media Serv./Library	<u>568,634</u>	<u>12,780</u>	<u>581,415</u>	<u>575,037</u>	<u>6,377</u>
<b>Undist. Expend.-Instr. Staff Training Serv.</b>					
Salaries of Supervisors of Instruction	48,852	-	48,852	38,561	10,291
Other Purchased Prof. and Tech. Services	25,500	-	25,500	22,654	2,846
Other Purchased Services (400-500 series)	9,100	-	9,100	630	8,470
Supplies and Materials	1,000	-	1,000	657	343
Other Objects	116,670	(9,774)	106,897	40,604	66,292
Total Undist. Expend.-Instr. Staff Training Serv.	<u>201,122</u>	<u>(9,774)</u>	<u>191,349</u>	<u>103,106</u>	<u>88,242</u>
<b>Undist. Expend.-Support Serv.-Gen. Admin</b>					
Salaries	670,794	(15,000)	655,794	653,169	2,625
Legal Services	136,000	(12,600)	123,400	80,256	43,144
Audit Fees	95,608	-	95,608	41,850	53,758
Architectural/Engineering Services	35,794	(11,721)	24,073	7,759	16,314
Other Purchased Professional Services	16,250	30,315	46,565	40,104	6,461
Purchased Technical Services	69,680	(0)	69,680	60,500	9,179
Communications / Telephone	204,801	587	205,388	176,870	28,518
BOE Other Purchased Services	10,600	-	10,600	1,461	9,139
Rentals	-	4,092	4,092	4,092	-
Misc. Purch Serv (400-500)[Other than 530 & 585]	80,941	(4,092)	76,849	76,647	202
General Supplies	28,760	-	28,760	12,722	16,038
Judgment Against The School District	49,000	(11,462)	37,538	23,691	13,847
Miscellaneous Expenditures	31,789	(500)	31,289	18,575	12,714
BOE Membership Dues and Fees	30,000	-	30,000	27,391	2,609
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>1,460,017</u>	<u>(20,381)</u>	<u>1,439,636</u>	<u>1,225,087</u>	<u>214,549</u>
<b>Undist. Expend. - Support Serv. - School Admin.</b>					
Salaries of Principals/Asst. Principals/Prog. Dir	1,489,651	39,000	1,528,651	1,528,226	425
Salaries of Secretarial and Clerical Assistants	886,189	26,500	912,689	905,913	6,776
Purchased Professional and Technical Services	15,740	-	15,740	6,552	9,188
Other Purchased Services (400-500 Series)	8,352	-	8,352	8,352	-
Supplies and Materials	21,080	(400)	20,680	14,250	6,430
Other Objects	7,966	2,285	10,251	9,326	925
Total Undist. Expend. - Support Serv. - School Admin.	<u>2,428,978</u>	<u>67,385</u>	<u>2,496,363</u>	<u>2,472,619</u>	<u>23,744</u>

**WEST MILFORD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Central Services</b>					
Salaries	446,025	4,300	450,325	446,727	3,598
Purchased Technical Services	24,700	-	24,700	19,779	4,922
Misc. Purchased Services (400-500)[O/T 594]	900	-	900	419	481
Supplies and Materials	12,950	(2,000)	10,950	4,550	6,400
Miscellaneous Expenditures	7,700	-	7,700	4,405	3,295
Total Undist. Expend. - Central Services	<u>492,275</u>	<u>2,300</u>	<u>494,575</u>	<u>475,879</u>	<u>18,696</u>
<b>Undist. Expend. - Admin. Info. Technology</b>					
Salaries	454,192	3,500	457,692	457,245	447
Purchased Technical Services	130,364	53,006	183,370	179,395	3,975
Other Purchased Services (400-500 Series)	3,000	-	3,000	2,361	639
Supplies and Materials	500	-	500	265	235
Total Undist. Expend. - Admin. Info. Technology	<u>588,056</u>	<u>56,506</u>	<u>644,562</u>	<u>639,266</u>	<u>5,296</u>
<b>Undist. Expend.-Required Maint For Sch Fac.</b>					
Salaries	397,592	(13,000)	384,592	370,352	14,240
Cleaning, Repair and Maintenance Services	400,756	(106,715)	294,041	270,522	23,519
General Supplies	136,928	24,157	161,085	151,524	9,562
Total Undist. Expend.-Required Maint For Sch Fac.	<u>935,276</u>	<u>(95,558)</u>	<u>839,718</u>	<u>792,397</u>	<u>47,321</u>
<b>Undist. Expend. - Custodial Services</b>					
Salaries	2,341,472	(19,765)	2,321,707	2,265,667	56,039
Salaries of Non-Instructional Aides	213,651	-	213,651	191,492	22,159
Purchased Professional and Technical Services	18,999	19,492	38,491	38,491	-
Cleaning, Repair and Maintenance Services	172,309	23,628	195,937	158,742	37,195
Rental of Land & Bldg. Oth. Than Lease Pur Agrmt	86,150	4,840	90,990	90,629	361
Other Purchased Property Services	355,498	(17,729)	337,769	329,307	8,462
Insurance	951,652	(62,563)	889,089	882,019	7,069
General Supplies	279,303	(7,908)	271,395	243,199	28,196
Energy (Natural Gas)	259,220	43,008	302,228	291,593	10,635
Energy (Electricity)	460,050	(66,347)	393,703	383,857	9,846
Energy (Oil)	76,072	41,672	117,744	117,132	611
Other Objects	31,570	10,000	41,570	30,722	10,848
Interest - Energy Savings Impr. Prog. Bonds	150,162	(1)	150,162	150,162	-
Principal - Energy Savings Impr. Prog. Bonds	399,959	(1)	399,958	399,958	-
Total Undist. Expend. - Custodial Services	<u>5,796,067</u>	<u>(31,674)</u>	<u>5,764,394</u>	<u>5,572,972</u>	<u>191,422</u>
<b>Undist. Expend. - Care and Upkeep of Grounds</b>					
Salaries	210,294	7,000	217,294	216,584	710
General Supplies	29,152	54,976	84,129	73,289	10,839
Total Care and Upkeep of Grounds	<u>239,446</u>	<u>61,976</u>	<u>301,423</u>	<u>289,873</u>	<u>11,550</u>
<b>Undist. Expend. - Security</b>					
Salaries	109,510	-	109,510	108,670	840
Purchased Professional and Technical Services	2,000	3,288	5,288	4,875	413
General Supplies	56,736	-	56,736	56,736	-
Other Objects	24,300	-	24,300	22,859	1,441
Total Undist. Expend. - Security	<u>192,546</u>	<u>3,288</u>	<u>195,833</u>	<u>193,140</u>	<u>2,694</u>
<b>Total Undist. Expend.-Oper. And Maint. Of Plant Serv.</b>					
	<u>7,163,336</u>	<u>(61,967)</u>	<u>7,101,368</u>	<u>6,848,382</u>	<u>252,986</u>
<b>Undist. Expend.-Student Transportation Serv.</b>					
Salaries of Non-Instructional Aides	150,517	20,001	170,518	166,589	3,928
Sal. For Pupil Trans(Bet Home & Sch)-Reg	2,184,316	(56,000)	2,128,316	1,763,524	364,792
Sal. For Pupil Trans(Bet Home & Sch)-Sp Ed	450,632	(3,270)	447,362	339,881	107,481
Sal. For Pupil Trans(Other than Bet. Home & Sch)	170,508	30,000	200,508	130,762	69,746
Management Fee - ESC & CTSA Trans. Program	35,760	(15,000)	20,760	17,281	3,479
Other Purchased Prof. and Technical Serv.	47,600	2,000	49,600	46,864	2,736
Cleaning, Repair, & Maint. Services	17,850	-	17,850	15,232	2,618
Lease Purchase Payments - School Buses	618,696	(64,587)	554,109	434,284	119,825
Contr Serv - Aid in Lieu Pymts - NonPub Sch	110,000	(20,018)	89,982	75,093	14,889
Contr Serv (Bet. Home and Sch) - Vendors	700,000	13,946	713,946	713,946	-
Contr Serv (Oth. Than Bet Home&Sch) - Vendors	84,375	(3,928)	80,447	38,107	42,340
Contr Serv (Special Ed) - Vendors	843,895	-	843,895	668,306	175,589
Misc. Purchased Services - Transportation	12,204	10,000	22,204	18,684	3,520
Transportation Supplies	409,400	80,092	489,491	452,217	37,275
Other Objects	10,050	(9,000)	1,050	174	876
Total Undist. Expend.-Student Transportation Serv.	<u>5,845,803</u>	<u>(15,766)</u>	<u>5,830,037</u>	<u>4,880,943</u>	<u>949,094</u>

**WEST MILFORD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Unallocated Benefits:</b>					
Social Security Contributions	910,000	8,000	918,000	916,008	1,992
Other Retirement Contributions - PERS	1,442,060	(8,000)	1,434,060	1,417,180	16,880
Other Retirement Contributions - Regular	-	738	738	738	-
Workmen's Compensation	384,156	(7,070)	377,086	372,618	4,468
Health Benefits	11,502,083	(8,150)	11,493,933	10,979,702	514,231
Tuition Reimbursement	111,000	-	111,000	105,000	6,000
Other Employee Benefits	82,325	(38,578)	43,748	36,787	6,961
Unused Sick Payments to Term/Retired Staff	-	60,270	60,270	60,270	-
Total Unallocated Benefits	<u>14,431,624</u>	<u>7,210</u>	<u>14,438,834</u>	<u>13,888,304</u>	<u>550,531</u>
<b>On-Behalf Contributions</b>					
On-behalf TPAF Pension (non-budgeted)	-	-	-	11,400,591	(11,400,591)
On-behalf TPAF NCGI Premium (non-budgeted)	-	-	-	160,846	(160,846)
On-behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	2,701,219	(2,701,219)
On-Behalf TPAF Long-Term Disability Insurance (non-budgeted)	-	-	-	3,328	(3,328)
TPAF Social Security (Reimbursed - Non-Budgeted)	-	-	-	2,146,895	(2,146,895)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,412,879</u>	<u>(16,412,879)</u>
<b>Total Personal Services - Employee Benefits</b>	<u>14,431,624</u>	<u>7,210</u>	<u>14,438,834</u>	<u>30,301,182</u>	<u>(15,862,348)</u>
Total Undistributed Expenditures	<u>43,550,681</u>	<u>(452,926)</u>	<u>43,097,755</u>	<u>56,157,978</u>	<u>(13,060,223)</u>
Total General Current Expense	<u>72,080,557</u>	<u>(237,373)</u>	<u>71,843,184</u>	<u>84,186,153</u>	<u>(12,342,969)</u>
<b>Capital Outlay</b>					
<b>Equipment</b>					
Grades 1-5	-	85,880	85,880	-	85,880
Grades 6-8	-	31,188	31,188	-	31,188
Grades 9-12	-	47,152	47,152	-	47,152
Regular Programs - Undistributed - Non-Instructional Equip.	-	64,283	64,283	-	64,283
School-Sponsored and Other Instructional Program	12,335	4,400	16,735	16,735	-
Undist. Expend. - Instruction	38,353	106,514	144,867	129,299	15,568
Undist. Expend. - Support Services - Related & Extra.	-	7,185	7,185	5,600	1,585
Undist. Expend. - Support Services - General Administration	17,470	-	17,470	17,470	-
Undist. Expend. - Support Services - School Administration	6,386	3,800	10,186	10,186	-
Undist. Expend. - Required Maint for School Fac.	70,692	10,557	81,249	70,692	10,557
Undist. Expend. - Custodial Services	30,476	0	30,476	17,131	13,345
Undist. Expend. - Care and Upkeep of Grounds	12,354	34,612	46,966	-	46,966
Undist. Expend. - Security	-	31,616	31,616	28,077	3,539
Undist. Expend. - Student Transportation Services - Non-Instructional Equip.	-	11,495	11,495	5,661	5,834
Total Equipment	<u>188,066</u>	<u>438,683</u>	<u>626,749</u>	<u>300,851</u>	<u>325,898</u>
<b>Facilities Acquisition and Const. Serv.</b>					
Construction Services	158,108	315,690	473,798	251,196	222,601
Assessment for Debt Service on SDA Funding	27,501	-	27,501	27,501	-
Total Facilities Acquisition and Const. Serv.	<u>185,609</u>	<u>315,690</u>	<u>501,299</u>	<u>278,697</u>	<u>222,601</u>
<b>Assets Acquired Under Financed Purchases (non-budgeted)</b>					
Support Services - Transportation	-	-	-	763,841	(763,841)
Support Services - Plant Operation and Maintenance	-	-	-	7,212,401	-
Total Assets Acquired Under Financed Purchases (non-budgeted)	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,976,242</u>	<u>(763,841)</u>
Total Capital Outlay	<u>373,675</u>	<u>754,373</u>	<u>1,128,047</u>	<u>8,555,790</u>	<u>(215,342)</u>
Transfer of Funds to Charter Schools	<u>44,402</u>	<u>-</u>	<u>44,402</u>	<u>44,402</u>	<u>-</u>
Total Expenditures	<u>72,498,634</u>	<u>517,000</u>	<u>73,015,634</u>	<u>92,786,345</u>	<u>(12,558,311)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,469,992)</u>	<u>(517,000)</u>	<u>(3,986,992)</u>	<u>(6,083,737)</u>	<u>(2,096,745)</u>
<b>Other Financing Sources (Uses):</b>					
Financed Purchases (non-budgeted)	-	-	-	7,976,242	7,976,242
Capital Reserve - Transfer to Capital Projects	(718,420)	-	(718,420)	(718,420)	-
Capital Outlay - Transfer to Capital Projects	(195,014)	-	(195,014)	(195,014)	-
Capital Projects - Transfer to General Fund	-	-	-	459,164	459,164
Total Other Financing Sources:	<u>(913,434)</u>	<u>-</u>	<u>(913,434)</u>	<u>7,521,972</u>	<u>8,435,406</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(4,383,426)</u>	<u>(517,000)</u>	<u>(4,900,426)</u>	<u>1,438,235</u>	<u>6,338,661</u>
Fund Balance, July 1	<u>13,012,002</u>	<u>-</u>	<u>13,012,002</u>	<u>13,012,002</u>	<u>-</u>
Fund Balance, June 30	<u>8,628,576</u>	<u>(517,000)</u>	<u>8,111,576</u>	<u>14,450,237</u>	<u>6,338,661</u>

WEST MILFORD BOARD OF EDUCATION  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2022

Exhibit C-1  
 Page 6 of 6

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Recapitulation of excess (deficiency) of revenues under expenditures:</b>					
Adjustment for Prior Year Encumbrances	(543,609)	-	(543,609)	(543,609)	-
Budgeted Fund Balance	(2,971,897)	(517,000)	(3,488,897)	1,725,868	5,214,765
Budgeted Withdrawal from Capital Reserve	(718,420)	-	(718,420)	(718,420)	-
Budgeted Transfer from Maintenance Reserve	(150,000)	-	(150,000)	(150,000)	-
Increase in Maintenance Reserve:					
Principal	-	-	-	300,000	300,000
Increase in Capital Reserve:					
Principal	-	-	-	821,209	821,209
Interest	500	-	500	3,187	2,687
	<u>(4,383,426)</u>	<u>(517,000)</u>	<u>(4,900,426)</u>	<u>1,438,235</u>	<u>6,338,661</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Capital Reserve				2,144,678	
Maintenance Reserve				750,000	
Excess Surplus				2,083,204	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,092,065	
Unemployment Compensation				1,030,629	
<b>Assigned Fund Balance:</b>					
Year End Encumbrances				720,155	
Designated for Subsequent Year's Expenditures				1,907,935	
<b>Unassigned Fund Balance</b>				<u>3,721,570</u>	
				14,450,237	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				<u>(841,761)</u>	
				<u>13,608,476</u>	

\* Includes interest earnings on the Unemployment Compensation Bank Account

WEST MILFORD BOARD OF EDUCATION  
 BUDGETARY COMPARISON SCHEDULE  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues:</b>					
Local Sources	-	11,379	11,379	710,651	699,272
State Sources	-	79,142	79,142	79,142	-
Federal Sources	1,174,663	4,056,584	5,231,247	2,096,329	(3,134,917) Note 1
Total Revenues	1,174,663	4,147,105	5,321,768	2,886,122	(2,435,646)
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	305,172	919,658	1,224,830	362,586	862,244
Other Purchased Services (400-500 series)	775,000	198,782	973,782	973,782	-
Instructional Supplies	-	749,591	749,591	387,177	362,414
Total Instruction	1,080,172	1,868,031	2,948,203	1,723,545	1,224,658
<b>Support Services:</b>					
Salaries - Support	94,491	(70,533)	23,958	11,898	12,060
Employee Benefits	-	463,130	463,130	167,416	295,714
Purchased Professional and Tech Services	-	432,143	432,143	170,374	261,769
Purchased Property Services	-	12,000	12,000	4,000	8,000
Other Purchased Services	-	191,156	191,156	17,182	173,975
Supplies and Materials	-	34,057	34,057	12,874	21,183
Scholarships Awarded	-	-	-	12,000	(12,000) Note 1
Student Activities	-	-	-	684,666	(684,666) Note 1
Total Support Services	94,491	1,061,953	1,156,444	1,080,410	76,034
<b>Facilities Acquisition and Construction Services:</b>					
Buildings	-	1,137,979	1,137,979	-	1,137,979
Noninstructional Equipment	-	79,142	79,142	79,142	-
Total Facilities Acquisition and Construction Services	-	1,217,121	1,217,121	79,142	1,137,979
Total Expenditures	1,174,663	4,147,105	5,321,768	2,883,097	2,438,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	3,025	3,025
Fund Balance, July 1				660,356	
Fund Balance, June 30				663,381	
Recapitulation:					
Restricted:					
Scholarships				307,071	
Student Activities				356,310	
Total Fund Balance				663,381	

Note 1 Not required to budget for these funds.

**WEST MILFORD BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET COMPARISON SCHEDULE  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022**

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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
<b>Sources/Inflows of Resources:</b>				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	86,702,608	[C-2]	2,886,122
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Add: Prior Year Encumbrances		N/A		67,557
Less: Current Year Encumbrances		N/A		(30,260)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognized the related expense (GASB 33)				
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year		(841,761)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		<u>1,083,353</u>		<u>-</u>
Total revenues as reported on the statement of revenues, expenditure: and changes in fund balances - governmental funds	[B-2]	<u>86,944,200</u>	[B-2]	<u>2,923,419</u>
 <b>Uses/Outflows of Resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	92,786,345	[C-2]	2,883,097
Differences - budget to GAAP				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				
Add: Prior Year Encumbrances		N/A		67,557
Less: Current Year Encumbrances		<u>N/A</u>		<u>(30,260)</u>
Total revenues as reported on the statement of revenues: expenditures, and changes in fund balances - governmental funds	[B-2]	<u>92,786,345</u>	[B-2]	<u>2,920,394</u>



**REQUIRED SUPPLEMENTARY  
INFORMATION - PART III**

**WEST MILFORD BOARD OF EDUCATION**  
**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - PERS**  
**LAST 10 FISCAL YEARS\***

<b>Fiscal Year Ending June30,</b>	<b>District's Proportion Share of the Net Pension Liability (Asset)</b>	<b>District's Proportion Share of the Net Pension Liability (Asset)</b>	<b>District's Covered Payrol -PERS Employee's</b>	<b>DISTRICT'S Proportion Share of the Net Pension Liability (Asset) as a perecentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a percentage of the total Pension Liability</b>
<b>2015</b>	0.1247985140%	\$ 23,365,197	\$ 8,721,195	267.91%	52.08%
<b>2016</b>	0.1275700160%	28,636,912	8,485,838	337.47%	47.93%
<b>2017</b>	0.1274011928%	37,732,759	8,609,095	438.29%	59.86%
<b>2018</b>	0.1244999422%	28,981,597	8,490,515	341.34%	48.10%
<b>2019</b>	0.1258679051%	24,782,763	8,510,503	291.20%	53.60%
<b>2020</b>	0.1196533870%	21,559,725	8,518,227	253.10%	56.27%
<b>2021</b>	0.1198839548%	19,549,938	7,967,996	245.36%	58.32%
<b>2022</b>	0.1168449357%	13,842,034	8,220,034	168.39%	70.33%

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

**WEST MILFORD BOARD OF EDUCATION**  
**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S CONTRIBUTIONS - PERS**  
*LAST 10 FISCAL YEARS\**

<b>Fiscal Year Ending June30,</b>	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's PERS Covered- Employee Payroll</b>	<b>Contributions as a Percentage of PERS Covered- Employee Payroll</b>
<b>2015</b>	\$ 1,028,799	\$ (1,028,799)	\$ -	\$ 8,721,195	11.80%
<b>2016</b>	1,096,760	(1,096,760)	-	8,485,838	12.92%
<b>2017</b>	1,131,814	(1,131,814)	-	8,609,095	13.15%
<b>2018</b>	1,153,359	(1,153,359)	-	8,490,515	13.58%
<b>2019</b>	1,251,979	(1,251,979)	-	8,510,503	14.71%
<b>2020</b>	1,163,881	(1,163,881)	-	8,518,227	13.66%
<b>2021</b>	1,311,472	(1,311,472)	-	7,967,996	16.46%
<b>2022</b>	1,368,390	(1,368,390)	-	7,967,996	17.17%

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

**WEST MILFORD BOARD OF EDUCATION**  
**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - TPAF**  
**LAST 10 FISCAL YEARS\***

<b>Fiscal Year Ending June30,</b>	<b>District's Proportion Share of the Net Pension Liability (Asset)</b>	<b>District's Proportion Share of the Net Pension Liability (Asset)</b>	<b>State's Proportionate Share of the Net Pension Liability Associated with the District (Asset)</b>	<b>District's Covered Payrol TPAF Employee's</b>	<b>District's Proportion Share of the Net Pension Liability (Asset) as a perecntage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a percentage of the total Pension Liability</b>
<b>2015</b>	0.2941957073%	\$ -	\$ 157,238,031	\$ 29,048,328	0.00%	33.64%
<b>2016</b>	0.2854159332%	-	180,395,058	29,529,656	0.00%	28.71%
<b>2017</b>	0.2880639774%	-	226,609,466	30,487,554	0.00%	28.75%
<b>2018</b>	0.2842699377%	-	191,665,042	31,509,557	0.00%	34.07%
<b>2019</b>	0.2914283214%	-	185,400,438	31,395,034	0.00%	26.49%
<b>2020</b>	0.2907659254%	-	178,445,793	31,090,627	0.00%	26.95%
<b>2021</b>	0.2925037311%	-	192,610,187	30,380,526	0.00%	24.60%
<b>2022</b>	0.2863954181%	-	137,685,138	30,260,922	0.00%	24.60%

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

**WEST MILFORD BOARD OF EDUCATION  
NOTE TO REQUIRED SCHEDULES OF SUPPLEMENTARY INFORMATION - PART III  
FOR THE FISCAL YEAR ENDING 2022**

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

Change in benefit terms

None

Change in assumptions

None

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

Change in benefit terms

None

Change in assumptions

None



**Other Supplementary Information**

**SPECIAL REVENUE FUND**



**WEST MILFORD BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Brought Forward from (Ex. E-1a)	Title I - Part A Improving Basic Programs	Title II - Part A Teacher/Principal Training & Recruiting	Title IV - Part A Student Support and Academic Enrichment	CARES Emergency Relief Grant	I.D.E.A.		Total 2022
						Basic	Preschool	
<b>Revenues:</b>								
Federal Sources	885,994	176,234	69,701	22,974	64,666	838,775	37,984	2,096,329
State Sources	79,142	-	-	-	-	-	-	79,142
Local Sources	710,651	-	-	-	-	-	-	710,651
Total Revenues	<u>1,675,787</u>	<u>176,234</u>	<u>69,701</u>	<u>22,974</u>	<u>64,666</u>	<u>838,775</u>	<u>37,984</u>	<u>2,886,122</u>
<b>Expenditures:</b>								
<b>Instruction:</b>								
Salaries of Teachers	244,734	117,852	-	-	-	-	-	362,586
Other Purchased Services (400-500 series)	135,007	-	-	-	-	838,775	-	973,782
Instructional Supplies	378,370	-	-	-	8,806	-	-	387,177
Total Instruction	<u>758,112</u>	<u>117,852</u>	<u>-</u>	<u>-</u>	<u>8,806</u>	<u>838,775</u>	<u>-</u>	<u>1,723,545</u>
<b>Support Services:</b>								
Salaries - Support	-	-	2,160	9,738	-	-	-	11,898
Employee Benefits	111,629	54,877	165	745	-	-	-	167,416
Purchased Professional and Technical Services	15,509	-	56,021	5,000	55,860	-	37,984	170,374
Purchased Property Services	4,000	-	-	-	-	-	-	4,000
Other Purchased Services	4,078	1,340	7,443	4,321	-	-	-	17,182
Supplies and Materials	3,626	2,166	3,913	3,169	-	-	-	12,874
Scholarships Awarded	12,000	-	-	-	-	-	-	12,000
Student Activities	684,666	-	-	-	-	-	-	684,666
Total Support Services	<u>835,508</u>	<u>58,382</u>	<u>69,701</u>	<u>22,974</u>	<u>55,860</u>	<u>-</u>	<u>37,984</u>	<u>1,080,410</u>
<b>Facilities Acquisition and Construction Services:</b>								
Non-Instructional Equipment	79,142	-	-	-	-	-	-	79,142
Total Facilities Acquisition and Construction Services	<u>79,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,142</u>
<b>Total Expenditures</b>	<u>1,672,762</u>	<u>176,234</u>	<u>69,701</u>	<u>22,974</u>	<u>64,666</u>	<u>838,775</u>	<u>37,984</u>	<u>2,883,097</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	3,025	-	-	-	-	-	-	3,025
Fund Balance, July 1	660,356	-	-	-	-	-	-	660,356
Fund Balance, June 30	<u>663,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>663,381</u>

**WEST MILFORD BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Total Brought Forward from (Ex. E-1b)</b>	<b>A.R.P. Basic</b>	<b>I.D.E.A. Preschool</b>	<b>A.R.P. Preschool</b>	<b>E.S.S.E.R. II</b>	<b>C.R.R.S.A. Learning Acceleration</b>	<b>Mental Health</b>	<b>SDA Emergent Need &amp; Capital Maintenance</b>	<b>Total Carried Forward to (Ex. E-1)</b>
<b>Revenues:</b>									
Federal Sources	45,967	135,007	-	11,509	649,074	40,438	4,000	-	885,994
State Sources	-	-	-	-	-	-	-	79,142	79,142
Local Sources	710,651	-	-	-	-	-	-	-	710,651
<b>Total Revenues</b>	<b>756,618</b>	<b>135,007</b>	<b>-</b>	<b>11,509</b>	<b>649,074</b>	<b>40,438</b>	<b>4,000</b>	<b>79,142</b>	<b>1,675,787</b>
<b>Expenditures:</b>									
<b>Instruction:</b>									
Salaries of Teachers	42,139	-	-	-	166,500	36,096	-	-	244,734
Other Purchased Services (400-500 series)	-	135,007	-	-	-	-	-	-	135,007
Instructional Supplies	190	-	-	-	376,929	1,251	-	-	378,370
<b>Total Instruction</b>	<b>42,329</b>	<b>135,007</b>	<b>-</b>	<b>-</b>	<b>543,429</b>	<b>37,347</b>	<b>-</b>	<b>-</b>	<b>758,112</b>
<b>Support Services:</b>									
Salaries - Support	-	-	-	-	-	-	-	-	-
Employee Benefits	3,224	-	-	11,509	105,644	2,761	-	-	111,629
Purchased Professional and Technical Services	-	-	-	-	-	-	4,000	-	15,509
Purchased Property Services	4,000	-	-	-	-	-	-	-	4,000
Other Purchased Services	3,748	-	-	-	-	330	-	-	4,078
Supplies and Materials	3,626	-	-	-	-	-	-	-	3,626
Scholarships Awarded	12,000	-	-	-	-	-	-	-	12,000
Student Activities	684,666	-	-	-	-	-	-	-	684,666
<b>Total Support Services</b>	<b>711,264</b>	<b>-</b>	<b>-</b>	<b>11,509</b>	<b>105,644</b>	<b>3,091</b>	<b>4,000</b>	<b>-</b>	<b>835,508</b>
<b>Facilities Acquisition and Construction Services:</b>									
Non-Instructional Equipment	-	-	-	-	-	-	-	79,142	79,142
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,142</b>	<b>79,142</b>
<b>Total Expenditures</b>	<b>753,593</b>	<b>135,007</b>	<b>-</b>	<b>11,509</b>	<b>649,074</b>	<b>40,438</b>	<b>4,000</b>	<b>79,142</b>	<b>1,672,762</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,025</b>
Fund Balance, July 1	660,356	-	-	-	-	-	-	-	660,356
Fund Balance, June 30	663,381	-	-	-	-	-	-	-	663,381

**WEST MILFORD BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022**

	E.S.E.R. II	A.R.P. Summer Enrichment	Beyond Schoolday	Play Unified Partnership Grant	Healthy Schools Grant	Student Activities	Scholarship Funds	Total Carried Forward to (Ex. E-1)
<b>Revenues:</b>								
Federal Sources	26,149	5,580	14,238	-	-	-	-	45,967
State Sources	-	-	-	-	-	-	-	-
Local Sources	-	-	-	9,968	991	699,074	617	710,651
<b>Total Revenues</b>	<b>26,149</b>	<b>5,580</b>	<b>14,238</b>	<b>9,968</b>	<b>991</b>	<b>699,074</b>	<b>617</b>	<b>756,618</b>
<b>Expenditures:</b>								
<b>Instruction:</b>								
Salaries of Teachers	20,809	-	13,050	8,280	-	-	-	42,139
Other Purchased Services (400-500 series)	-	-	-	-	-	-	-	-
Instructional Supplies	-	-	190	-	-	-	-	190
<b>Total Instruction</b>	<b>20,809</b>	<b>-</b>	<b>13,240</b>	<b>8,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,329</b>
<b>Support Services:</b>								
Salaries - Support	-	-	-	-	-	-	-	-
Employee Benefits	1,592	-	998	633	-	-	-	3,224
Purchased Professional and Technical Services	-	-	-	-	-	-	-	-
Purchased Property Services	-	4,000	-	-	-	-	-	4,000
Other Purchased Services	3,748	-	-	-	-	-	-	3,748
Supplies and Materials	-	1,580	-	1,055	991	-	-	3,626
Scholarships Awarded	-	-	-	-	-	-	12,000	12,000
Student Activities	-	-	-	-	-	684,666	-	684,666
<b>Total Support Services</b>	<b>5,340</b>	<b>5,580</b>	<b>998</b>	<b>1,688</b>	<b>991</b>	<b>684,666</b>	<b>12,000</b>	<b>711,264</b>
<b>Facilities Acquisition and Construction Services:</b>								
Non-Instructional Equipment	-	-	-	-	-	-	-	-
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>26,149</b>	<b>5,580</b>	<b>14,238</b>	<b>9,968</b>	<b>991</b>	<b>684,666</b>	<b>12,000</b>	<b>753,593</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,408</b>	<b>(11,383)</b>	<b>3,025</b>
Fund Balance, July 1	-	-	-	-	-	341,902	318,454	660,356
Fund Balance, June 30	-	-	-	-	-	356,310	307,071	663,381

**CAPITAL PROJECTS FUND**

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE -BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022**

<b>Revenue and Other Financing Sources:</b>	
Transfer from Capital Outlay	195,014
Transfer from Capital Reserve	718,420
	913,434
Total Revenues and Other Financing Sources	
	913,434
<b>Expenditures and Other Financing Uses:</b>	
Other Purchased Professional and Technical Services	69,871
Construction Services	521,864
Capital Projects Equipment	63,808
Transfers from Capital Projects	559,165
	1,214,708
Total Expenditures and Other Financing Uses	
	1,214,708
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and other Financing Sources (Uses)	
	(301,274)
Fund Balance - Beginning of Year	663,167
	663,167
Fund Balance - End of Year	361,893
	361,893

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL ROOF REPLACEMENT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Bond Proceeds	3,797,359	-	3,797,359	3,797,359
Total Revenues	3,797,359	-	3,797,359	3,797,359
<b>Expenditures and Other Financing Uses:</b>				
Architectural/Engineering Services	44	-	44	44
Other Purchased Professional and Technical Services	22,993	-	22,993	22,993
Construction Services	3,370,319	-	3,370,319	3,474,321
Transfers from Capital Projects	200,000	100,001	300,001	300,001
Total Expenditures and Other Financing Uses	3,593,356	100,001	3,693,357	3,797,359
Excess (Deficiency) or Revenues Over (under) Expenditures	204,003	(100,001)	104,002	-
<b>Additional Project Information:</b>				
Original Authorized Costs			3,797,359	
Additional Authorized Costs			(300,001)	
Revised Authorized Costs			3,497,358	
Percentage Increase over Original Authorized Costs			-7.90%	
Percentage of Completion			97.03%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL BOILER REPLACEMENT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
State Sources - SDA Grant	421,842	-	421,842	421,842
Transfer from Capital Reserve	637,613	-	637,613	637,613
Total Revenues	<u>1,059,455</u>	<u>-</u>	<u>1,059,455</u>	<u>1,059,455</u>
<b>Expenditures and Other Financing Uses:</b>				
Other Purchased Professional and Technical Services	15,205	-	15,205	15,205
Construction Services	978,351	-	978,351	978,351
Transfers from Capital Projects	-	65,898	65,898	65,898
Total Expenditures and Other Financing Uses	<u>993,557</u>	<u>65,898</u>	<u>1,059,455</u>	<u>1,059,455</u>
Excess (Deficiency) or Revenues Over (under) Expenditures	<u>65,898</u>	<u>(65,898)</u>	<u>-</u>	<u>-</u>
<b>Additional Project Information:</b>				
DOE Project Number			5650-040-14-1001	
SDA Project Number			5650-040-14-G2NC	
SDA Grant Number			G5-5762	
Grant Date			41,729	
Original Authorized Costs			1,059,455	
Additional Authorized Costs			(65,898)	
Revised Authorized Costs			993,557	
Percentage Increase (Decrease) over Original Authorized Costs			-6.22%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
HIGH SCHOOL SCIENCE LAB UPDATES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Outlay	833,250	-	833,250	833,250
Total Revenues	833,250	-	833,250	833,250
<b>Expenditures and Other Financing Uses:</b>				
Construction Services	712,957	-	712,957	712,957
Transfers from Capital Projects	-	120,293	120,293	120,293
Total Expenditures and Other Financing Uses	712,957	120,293	833,250	833,250
Excess (Deficiency) or Revenues Over (under) Expenditures	120,293	(120,293)	-	-
<b>Additional Project Information:</b>				
Original Authorized Costs			833,250	
Additional Authorized Costs			(120,293)	
Revised Authorized Costs			712,957	
Percentage Increase (Decrease) over Original Authorized Costs			-14.44%	
Percentage of Completion			100.00%	



**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
GREENHOUSE REPLACEMENT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Outlay	215,000	-	215,000	215,000
Transfer from Auditorium Project	85,000	-	85,000	85,000
Total Revenues	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Architectural/Engineering Services	16,807	-	16,807	16,807
Other Purchased Professional and Technical Services	1,196	-	1,196	1,196
Construction Services	264,334	-	264,334	264,334
Transfers from Capital Projects	-	17,662	17,662	17,662
Total Expenditures and Other Financing Uses	<u>282,338</u>	<u>17,662</u>	<u>300,000</u>	<u>300,000</u>
Excess (Deficiency) or Revenues Over (under) Expenditures	<u>17,662</u>	<u>(17,662)</u>	<u>-</u>	<u>-</u>
<b>Additional Project Information:</b>				
Original Authorized Costs			300,000	
Additional Authorized Costs			(17,662)	
Revised Authorized Costs			282,338	
Percentage Increase (Decrease) over Original Authorized Costs			-5.89%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
ROOF RESTORATIONS - APSHAWA/PARADISE KNOLLS/UPPER GREENWOOD LAKE SCHOOLS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Reserve	588,715	-	588,715	588,715
Total Revenues	588,715	-	588,715	588,715
<b>Expenditures and Other Financing Uses:</b>				
Construction Services	522,550	-	522,550	522,550
Transfers from Capital Projects	-	66,165	66,165	66,165
Total Expenditures and Other Financing Uses	522,550	66,165	588,715	588,715
Excess (Deficiency) or Revenues Over (under) Expenditures	66,165	(66,165)	-	-
<b>Additional Project Information:</b>				
Original Authorized Costs			588,715	
Additional Authorized Costs			(66,165)	
Revised Authorized Costs			522,550	
Percentage Increase over Original Authorized Costs			-11.24%	
Percentage of Completion			112.66%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
PAVING OF TRANSPORTATION LOT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Year</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Outlay	413,155	-	413,155	413,155
Transfer from Capital Reserve	500,000	-	500,000	500,000
Total Revenues	<u>913,155</u>	<u>-</u>	<u>913,155</u>	<u>913,155</u>
<b>Expenditures and Other Financing Uses:</b>				
Construction Services	866,578	-	866,578	866,578
Transfers from Capital Projects	-	46,577	46,577	46,577
Total Expenditures and Other Financing Uses	<u>866,578</u>	<u>46,577</u>	<u>913,155</u>	<u>913,155</u>
Excess (Deficiency) or Revenues Over (under) Expenditures	<u>46,577</u>	<u>(46,577)</u>	<u>-</u>	<u>-</u>
<b>Additional Project Information:</b>				
Original Authorized Costs			913,155	
Additional Authorized Costs			(46,577)	
Revised Authorized Costs			866,578	
Percentage Increase (Decrease) over Original Authorized Costs			-5.10%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
MACOPIN WELL REPLACEMENT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Reserve	150,000	-	150,000	150,000
Total Revenues	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>
<b>Expenditures and Other Financing Uses:</b>				
Construction Services	34,100	-	34,100	34,100
Transfers from Capital Projects	-	115,900	115,900	115,900
Total Expenditures and Other Financing Uses	<u>34,100</u>	<u>115,900</u>	<u>150,000</u>	<u>150,000</u>
Excess (Deficiency) or Revenues Over (under) Expenditures	<u>115,900</u>	<u>(115,900)</u>	<u>-</u>	<u>-</u>
<b>Additional Project Information:</b>				
Original Authorized Costs			150,000	
Additional Authorized Costs			(115,900)	
Revised Authorized Costs			34,100	
Percentage Increase over Original Authorized Costs			-77.27%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
MCCORMACK FIELD REPLACEMENT AND TRACK REPAIR  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Transfer from Capital Outlay	354,551	-	354,551	354,551
Transfer from Capital Reserve	354,551	-	354,551	354,551
Total Revenues	<u>709,102</u>	<u>-</u>	<u>709,102</u>	<u>709,102</u>
<b>Expenditures and Other Financing Uses:</b>				
Construction Services	682,434	-	682,434	682,434
Transfers from Capital Projects	-	26,668	26,668	26,668
Total Expenditures and Other Financing Uses	<u>682,434</u>	<u>26,668</u>	<u>709,102</u>	<u>709,102</u>
Excess (Deficiency) or Revenues Over (under) Expenditures	<u>26,668</u>	<u>(26,668)</u>	<u>-</u>	<u>-</u>
<b>Additional Project Information:</b>				
Original Authorized Costs			709,102	
Additional Authorized Costs			(26,668)	
Revised Authorized Costs			682,434	
Percentage Increase over Original Authorized Costs			-3.76%	
Percentage of Completion			100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
UPGRADES TO PHONE SYSTEM  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Current Year</b>	<b>Totals</b>	<b>Revised Authorized Cost</b>
<b>Revenues and Other Financing Sources:</b>			
Transfer from Capital Reserve	280,000	280,000	280,000
Total Revenues	280,000	280,000	280,000
<b>Expenditures and Other Financing Uses:</b>			
Other Purchased Professional and Technical Services	69,871	69,871	200,000
Capital Project Equipment	63,808	63,808	80,000
Total Expenditures and Other Financing Uses	133,679	133,679	280,000
Excess (Deficiency) or Revenues Over (under) Expenditures	146,321	146,321	-
 <b>Additional Project Information:</b>			
Original Authorized Costs		280,000	
Additional Authorized Costs		-	
Revised Authorized Costs		280,000	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		47.74%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
FLOOR REPLACEMENT/ASBESTOS ABATEMENT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>			
Transfer from Capital Reserve	138,420	138,420	138,420
Total Revenues	138,420	138,420	138,420
<b>Expenditures and Other Financing Uses:</b>			
Construction Services	138,420	138,420	138,420
Total Expenditures and Other Financing Uses	138,420	138,420	138,420
Excess (Deficiency) or Revenues Over (under) Expenditures	-	-	-
 <b>Additional Project Information:</b>			
Original Authorized Costs		138,420	
Additional Authorized Costs		-	
Revised Authorized Costs		138,420	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
VESTIBULE SECURITY UPGRADES - MACOPIN AND HIGH SCHOOL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Current Year</b>	<b>Totals</b>	<b>Revised Authorized Cost</b>
<b>Revenues and Other Financing Sources:</b>			
Transfer from Capital Reserve	300,000	300,000	300,000
Total Revenues	300,000	300,000	300,000
<b>Expenditures and Other Financing Uses:</b>			
Construction Services	188,430	188,430	300,000
Total Expenditures and Other Financing Uses	188,430	188,430	300,000
Excess (Deficiency) or Revenues Over (under) Expenditures	111,570	111,570	-
 <b>Additional Project Information:</b>			
Original Authorized Costs		300,000	
Additional Authorized Costs		-	
Revised Authorized Costs		300,000	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		62.81%	



**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
PAVING OF OUTER TRANSPORTATION LOT  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Current Year</b>	<b>Totals</b>	<b>Revised Authorized Cost</b>
<b>Revenues and Other Financing Sources:</b>			
Transfer from Capital Outlay	195,014	195,014	195,014
Total Revenues	195,014	195,014	195,014
<b>Expenditures and Other Financing Uses:</b>			
Construction Services	195,014	195,014	195,014
Total Expenditures	195,014	195,014	195,014
Excess (Deficiency) or Revenues Over (under) Expenditures	-	-	-
 <b>Additional Project Information:</b>			
Original Authorized Costs		195,014	
Additional Authorized Costs		-	
Revised Authorized Costs		195,014	
Percentage Increase over Original Authorized Costs		0.00%	
Percentage of Completion		100.00%	

**WEST MILFORD BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2022**

Project Description	Appropriation	Expenditures		Canceled	Unexpended Balance
		Prior Years	Current Year		
High School Roof Replacement	3,797,359	3,593,356	-	100,001	104,002
High School Boiler Replacement	1,059,455	993,557	-	65,898	-
High School Science Lab	833,250	712,957	-	120,293	-
Greenhouse Replacement	300,000	282,338	-	17,662	-
Roof Restorations - AP/PK/UGL	588,715	522,550	-	66,165	-
Transportation Lot Paving	913,155	866,578	-	46,577	-
Macopin Well Replacement	150,000	34,100	-	115,900	-
McCormack Field Replacement & Track Repair	709,102	682,434	-	26,668	-
Phone System Upgrades	280,000	-	133,679	-	146,321
Asbestos Floor Abatement/Replacement	138,420	-	138,420	-	-
Macopin & HS Security - Vestibule Improvement	300,000	-	188,430	-	111,570
Outer Transportation Lot Paving	195,014	-	195,014	-	-
	<u>9,264,470</u>	<u>7,687,869</u>	<u>655,543</u>	<u>559,165</u>	<u>361,893</u>

**LONG-TERM DEBT**

**WEST MILFORD BOARD OF EDUCATION  
GENERAL LONG TERM DEBT ACCOUNT GROUP  
STATEMENT OF SERIAL BONDS  
JUNE 30, 2022**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2021	Retired	Balance June 30, 2022
			Date	Amount				
School Bonds of 2016	7/15/2016	6,500,000	7/15/2022	525,000	2.00%			
			7/15/2023	525,000	2.00%			
			7/15/2024	550,000	2.00%			
			7/15/2025	550,000	2.00%			
			7/15/2026	590,000	2.00%			
			7/15/2027	600,000	2.00%			
			7/15/2028	625,000	2.00%			
			7/15/2029	660,000	2.00%			
						5,125,000	500,000	4,625,000

**WEST MILFORD BOARD OF EDUCATION  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Issue	Interest Rate Payables	Amount of Original Issue	Amount Outstanding on July 1, 2021	Issued in Current Year	Retired in Current Year	Amount Outstanding on June 30, 2022
2019 School Buses (4-54 Pass., 2-24 Pass.) Grandstand, Bleachers, and Press Box 1 - Ford F-150 with Accessories	4.20% 5.60% 5.98%	498,610 672,000 64,094	203,355 269,754 14,389	- - -	99,547 131,139 14,389	103,808 138,615 -
2020 School Buses (3-54 Pass., 5-24 Pass.) 2021 School Buses (2-54 Pass., 2-24 Pass.)	4.58% 3.70%	639,384 747,836	383,118 586,969	- -	122,032 139,191	261,087 447,778
1 - 2021 John Deer Gator, 1 - 2021 Ford F-350 34 Savin Digital Copiers	4.30% 3.50%	87,957 206,230	64,446 174,373	- -	21,688 39,506	42,758 134,868
2022 School Buses (3-24 Pass., 5-54 Pass.) Energie Savings Incentive Program	3.94% 2.13%	763,841 7,490,000	- -	763,841 7,212,401	163,606 816,878	600,235 6,395,523
<b>Total</b>			<u>1,696,405</u>	<u>7,976,242</u>	<u>1,547,976</u>	<u>8,124,671</u>

**WEST MILFORD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>Revenues:</b>				
Local sources:				
Local tax levy	294,349	294,349	294,349	-
Total revenues - local sources	<u>294,349</u>	<u>294,349</u>	<u>294,349</u>	<u>-</u>
State sources:				
Debt service aid type II	203,150	203,150	203,150	-
Total state sources	<u>203,150</u>	<u>203,150</u>	<u>203,150</u>	<u>-</u>
Total Revenues	<u>497,499</u>	<u>497,499</u>	<u>497,499</u>	<u>-</u>
<b>Expenditures:</b>				
Regular debt service:				
Interest on Bonds	97,500	97,500	97,500	-
Redemption of principal	500,000	500,000	500,000	-
Total regular debt service	<u>597,500</u>	<u>597,500</u>	<u>597,500</u>	<u>-</u>
Total Expenditures	<u>597,500</u>	<u>597,500</u>	<u>597,500</u>	<u>-</u>
<b>Other Financing Sources/(Uses):</b>				
Capital Projects - Transfer to Debt Services for Repayment of Debt	-	-	100,001	100,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(100,001)</u>	<u>(100,001)</u>	<u>-</u>	<u>100,001</u>
Fund Balances, July 1	100,001	100,001	100,001	-
Fund Balances, June 30	<u>(0)</u>	<u>(0)</u>	<u>100,001</u>	<u>100,001</u>
<b>Recapitulation of excess (deficiency) of revenues under expenditures:</b>				
Budgeted Fund Balance	<u>(100,001)</u>	<u>(100,001)</u>	<u>-</u>	<u>100,001</u>
<b>Recapitulation:</b>				
<b>Assigned:</b>				
Designated for Subsequent Year's Expenditures			100,001	
			<u>100,001</u>	

**STATISTICAL SECTION**

## STATISTICAL SECTION (UNAUDITED)

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# STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

## J SERIES

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

WEST MILFORD BOARD OF EDUCATION

Net Assets/Net Position\*by Component,  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	11,157,970	12,491,734	14,625,039	19,535,989	17,423,192	18,571,495	19,369,256	20,808,409	21,550,828	22,183,508
Restricted	7,995,387	8,164,505	7,957,499	7,082,783	9,830,847	8,137,799	7,860,210	8,412,347	10,528,465	9,846,006
Unrestricted	(3,584,990)	(3,767,616)	(28,031,456)	(28,842,210)	(31,564,210)	(31,874,212)	(31,571,082)	(30,178,977)	(27,208,323)	(21,412,315)
<b>Total governmental activities net position</b>	<b>15,568,367</b>	<b>16,888,623</b>	<b>(5,448,918)</b>	<b>(2,223,437)</b>	<b>(4,310,171)</b>	<b>(5,164,918)</b>	<b>(4,341,616)</b>	<b>(958,221)</b>	<b>4,870,969</b>	<b>10,617,199</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	298,436	247,464	123,999	59,175	65,339	64,065	66,394	66,474	78,781	94,068
Restricted	38,950	38,950	48,552	47,906	42,950	43,050	4,100	-	-	-
Unrestricted	(90,952)	33,812	143,241	77,415	58,736	21,680	92,412	21,231	-	550,149
<b>Total business-type activities net position</b>	<b>246,434</b>	<b>320,226</b>	<b>315,792</b>	<b>184,495</b>	<b>167,025</b>	<b>128,795</b>	<b>162,906</b>	<b>87,705</b>	<b>78,781</b>	<b>644,217</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	11,456,405	12,739,198	14,749,038	19,595,164	17,488,531	18,635,560	19,435,650	20,874,883	21,629,609	22,277,576
Restricted	8,034,337	8,203,455	8,006,050	7,130,689	9,873,797	8,180,849	7,864,310	8,412,347	10,528,465	9,846,006
Unrestricted	(3,675,942)	(3,733,804)	(27,888,215)	(28,764,795)	(31,505,474)	(31,852,531)	(31,478,670)	(30,157,746)	(27,208,323)	(20,862,166)
<b>Total district net position</b>	<b>15,814,800</b>	<b>17,208,849</b>	<b>(5,133,127)</b>	<b>(2,038,942)</b>	<b>(4,143,146)</b>	<b>(5,036,123)</b>	<b>(4,178,710)</b>	<b>(870,516)</b>	<b>4,949,751</b>	<b>11,261,416</b>

Source: CAFR Schedule A-1

\* GASB Statement No. 63 became effective for the Fiscal Year Ended June 30, 2013 which changed Net Assets to Net Position.

**WEST MILFORD BOARD OF EDUCATION**  
**Changes in Net Assets/Net Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	29,091,197	30,060,451	33,688,879	35,397,999	39,420,525	40,763,496	37,390,157	34,111,561	38,662,244	33,760,938
Special education	9,232,990	9,811,680	10,880,659	11,785,583	13,745,328	14,226,531	12,933,182	12,010,835	13,552,176	11,542,240
Other special education	312,632	375,189	307,127	313,341	288,723	301,309	319,072	346,903	271,003	373,907
Other instruction	1,202,128	1,188,725	1,262,218	1,339,603	1,471,639	1,473,306	1,413,154	1,320,817	1,358,065	1,436,531
Support Services:										
Tuition	5,077,971	4,606,754	4,687,173	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994
Student & instruction related services	8,434,225	8,762,336	9,566,003	10,020,550	11,196,726	11,511,824	11,103,269	10,438,181	10,921,286	10,171,672
General administrative services	1,474,288	1,579,493	1,564,216	1,715,623	1,852,747	1,832,412	1,736,709	1,685,135	1,689,065	1,655,487
School administrative services	3,553,425	3,614,528	4,174,066	4,803,145	5,465,106	5,494,488	4,933,840	4,552,472	5,256,009	4,362,945
Central Services and Admin. Info. Tech.	1,359,028	1,331,554	1,548,677	1,626,964	1,856,924	1,866,713	1,738,594	1,630,974	1,829,219	1,893,543
Plant operations and maintenance	6,877,873	7,153,738	7,936,484	8,021,118	8,978,761	8,977,810	8,680,486	8,321,824	9,850,384	8,076,078
Pupil transportation	5,433,960	5,452,455	5,751,379	5,704,056	6,287,804	6,701,989	6,571,627	5,647,451	5,998,229	5,713,852
Charter Schools	-	31,679	33,960	27,501	29,237	-	-	-	42,825	44,402
Non-instructional services	-	-	-	-	-	-	-	221	-	-
Interest on Long term debt	80,093	64,698	49,060	28,340	130,386	91,701	114,395	135,338	102,441	92,889
Capital Outlay - Non-depreciable	16,678	27,501	27,501	32,777	27,501	27,501	174,018	27,501	27,501	27,501
Unallocated Benefits	-	-	17,208	17,656	-	-	-	-	-	-
Total governmental activities expenses	72,146,488	74,060,781	81,494,628	84,947,584	95,519,929	97,582,335	91,013,821	83,967,846	92,968,792	81,927,979
Business-type activities:										
Food service	1,339,026	1,261,766	1,233,017	1,240,543	1,314,371	1,307,906	1,335,322	1,095,866	945,551	1,643,110
School Aged Child Care	395,816	238,844	286,769	471,027	427,969	420,506	452,933	362,871	126,418	245,141
Total business-type activities expense	1,734,842	1,500,610	1,519,786	1,711,569	1,742,341	1,728,412	1,788,255	1,458,736	1,071,969	1,888,251
Total district expenses	73,881,330	75,561,391	83,014,414	86,659,153	97,262,270	99,310,747	92,802,076	85,426,583	94,040,761	83,816,230
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction (tuition)	98,189	144,926	346,766	363,804	342,190	298,606	242,559	188,738	126,062	319,242
Support Services	-	-	-	-	-	-	-	-	228,165	699,691
Plant operations and maintenance	62,868	19,406	34,747	465	13,572	-	-	2,077	-	-
Pupil transportation	1,578,803	1,466,993	1,405,774	1,423,795	1,381,971	1,319,278	1,297,061	1,226,983	1,617,983	2,163,706
Operating grants and contributions	1,739,860	1,631,325	1,787,288	1,788,064	1,737,734	1,617,885	1,539,620	1,417,798	1,972,209	3,182,639
Total governmental activities program revenues	805,601	787,385	762,535	763,809	792,535	853,813	888,221	606,128	750	38,724
Business-type activities:										
Charges for services:										
Food service	439,791	-	-	-	-	-	-	-	-	-
Adult Community School	-	324,504	395,322	396,731	403,564	382,121	480,825	287,647	77,271	355,495
School Aged Child Care	296,511	339,714	353,519	355,600	371,102	387,264	384,616	316,567	797,134	2,059,048
Operating grants and contributions	1,541,903	1,451,603	1,511,375	1,516,140	1,567,200	1,623,197	1,753,662	1,210,342	875,156	2,453,267
Total business type activities program revenues	3,281,763	3,082,928	3,298,663	3,304,204	3,304,934	3,241,082	3,293,282	2,628,140	2,847,365	5,635,906

**WEST MILFORD BOARD OF EDUCATION**  
**Changes in Net Assets/Net Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Net (Expense)/Revenue</b>										
Governmental activities	(70,406,628)	(72,429,456)	(79,707,341)	(83,159,519)	(93,782,196)	(95,964,450)	(89,474,201)	(82,550,049)	(90,996,582)	(78,745,340)
Business-type activities	(192,939)	(49,007)	(8,410)	(195,430)	(175,140)	(105,214)	(34,593)	(248,394)	(196,813)	565,016
Total district-wide net expense	(70,599,567)	(72,478,463)	(79,715,751)	(83,354,949)	(93,957,336)	(96,069,665)	(89,508,794)	(82,798,443)	(91,193,396)	(78,180,324)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	52,002,781	53,042,837	53,542,837	53,542,837	53,542,837	55,015,708	56,113,022	56,113,022	57,515,848	58,666,165
Taxes levied for debt service	493,553	497,390	537,742	524,720	514,393	360,313	270,260	270,260	299,710	294,349
Unrestricted grants and contributions	20,949,646	28,431,736	31,308,436	37,326,592	40,647,902	34,490,148	29,159,726	29,159,726	36,545,689	24,859,353
Restricted State Aid	4,771	893	893	893	60,818	184,621	190,740	190,740	205,913	203,150
Miscellaneous income	416,011	973,247	1,093,234	467,602	409,242	311,123	370,486	370,486	817,172	468,553
Transfers	(117,049)	(135,588)	(157,608)	(156,547)	(65,488)	(64,410)	(170,791)	(170,791)	(187,700)	-
Total governmental activities	73,749,713	82,810,515	86,325,533	91,706,097	95,109,703	90,297,503	85,933,443	85,933,443	95,196,633	84,491,570
Business-type activities:										
Investment earnings	830	1,213	1,122	1,254	1,496	4,293	2,403	2,403	190	419
Transfers	117,049	135,588	157,608	156,547	65,488	64,410	170,791	170,791	187,700	-
Miscellaneous income	4,921	-	-	-	-	-	-	-	-	-
Total business-type activities	122,800	136,801	158,730	157,801	66,984	68,703	173,194	173,194	187,889	419
Total district-wide	73,872,513	82,947,316	86,484,263	91,863,898	95,176,688	90,366,206	86,106,637	86,106,637	95,384,522	84,491,989
<b>Change in Net Position</b>										
Governmental activities	3,343,085	10,381,059	6,618,193	8,546,577	1,327,508	(5,666,947)	(3,540,758)	3,383,394	4,200,050	5,746,230
Business-type activities	(70,139)	87,794	150,320	(37,629)	(108,156)	(36,511)	138,601	(75,201)	(8,924)	565,435
Total district	3,272,946	10,468,853	6,768,512	8,508,948	1,219,352	(5,703,459)	(3,402,157)	3,308,194	4,191,126	6,311,665

Source: CAFR Schedule A-2

\* GASB Statement No. 63 became effective for the Fiscal Year Ended June 30, 2013 which changed Net Assets to Net Position.

WEST MILFORD BOARD OF EDUCATION

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

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund	6,449,112	7,228,611	7,029,480	7,469,447	6,678,225	6,707,127	6,094,059	6,639,112	8,661,334	8,100,557
Restricted										
Committed	1,429,374	868,416	879,734	770,194	732,086	620,762	1,125,221	1,544,059	543,609	2,628,090
Assigned	(120,308)	(10,028)	7,639	(22,246)	(2,441)	283,906	588,100	482,026	2,723,707	2,879,809
Unassigned	7,758,178	8,086,999	7,916,852	8,217,395	7,407,871	7,611,795	7,807,380	8,665,197	11,928,649	13,608,456
Total general fund										
All Other Governmental Funds										
Assigned:										
Debt service fund	-	-	-	-	-	-	-	-	100,001	100,001
Committed	-	-	-	91,595	113,921	3,897	737	-	-	-
Restricted:										
Special revenue fund										
Capital projects fund	213,102	213,115	44,806	(1,248,454)	2,306,613	871,498	540,191	1,043,149	660,356	663,381
Debt service fund	83,477	43,478	3,479	1	2	2	100,003	100,003	663,167	361,893
Total all other governmental funds	296,579	256,593	48,285	(1,156,857)	2,420,536	875,398	640,931	1,143,152	1,423,524	1,125,275

Source: CAFR Schedule B-1

WEST MILFORD BOARD OF EDUCATION

Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax levy	\$ 51,725,764	52,496,334	53,540,227	54,080,579	54,067,557	54,057,230	55,376,021	56,383,282	57,815,558	58,960,514
Tuition charges	98,189	144,926	346,766	363,804	342,190	298,606	242,559	188,738	126,062	319,242
Bond Proceeds	-	-	-	-	6,500,000	-	-	-	-	-
Miscellaneous	597,352	448,735	610,068	638,189	407,161	541,319	312,507	457,651	1,049,837	1,092,423
State sources	21,278,620	20,886,222	21,799,652	22,922,509	23,425,658	25,165,996	26,334,923	25,782,970	26,725,417	27,709,401
Federal sources	1,624,309	1,521,870	1,518,859	1,535,250	1,476,787	1,452,244	1,438,740	1,363,689	1,779,188	2,283,538
Total revenue	75,324,234	75,498,087	77,815,572	79,540,331	86,219,363	81,515,394	83,704,750	84,176,329	87,496,061	90,365,118
<b>Expenditures</b>										
Instruction										
Regular instruction	19,786,858	21,423,864	21,463,410	21,013,763	20,959,577	21,584,843	21,338,475	20,286,831	20,691,065	20,960,293
Special education instruction	5,766,819	6,416,302	6,120,814	6,241,764	6,550,956	6,790,092	6,815,361	6,847,921	6,753,995	6,901,403
Other special instruction	312,632	375,190	307,127	313,341	288,723	301,309	319,072	346,903	271,003	373,907
Other instruction	1,202,128	1,188,725	1,262,218	1,339,603	1,471,639	1,473,306	1,559,671	1,452,480	1,482,131	1,567,670
Support Services:										
Tuition	5,077,971	4,606,754	4,687,173	4,113,329	4,768,524	4,313,254	3,905,318	3,738,633	3,408,345	2,775,994
Student & instruction related services	6,612,463	6,994,280	7,029,828	7,090,211	7,419,527	7,594,501	7,846,180	7,656,076	7,285,752	7,623,901
General administrative services	1,222,241	1,309,895	1,182,703	1,266,389	1,242,662	1,199,448	1,209,560	1,232,821	1,123,395	1,225,087
School Administrative services	2,448,554	2,537,685	2,557,967	2,516,280	2,066,357	2,417,694	2,405,687	2,420,975	2,452,913	2,472,619
Central Services	967,380	951,232	1,012,607	1,014,190	1,066,400	1,047,457	1,058,774	1,050,362	1,070,631	1,115,144
Plant operations and maintenance	5,462,355	5,755,279	5,936,973	5,737,746	6,005,768	5,863,839	6,091,728	6,088,909	6,930,403	6,848,382
Pupil transportation	4,579,307	4,584,600	4,470,002	4,219,835	4,353,973	4,674,919	4,948,112	4,237,643	4,219,474	4,890,943
Unallocated employee benefits	18,248,736	17,462,024	18,592,142	19,402,412	21,129,834	22,691,016	23,607,853	23,908,633	26,972,418	30,301,182
Charter Schools	-	31,679	33,960	28,340	29,237	-	-	-	42,825	44,402
Operation of Non-Instructional Services	-	-	-	-	-	-	-	221	-	-
Capital outlay	639,243	1,437,578	3,004,287	6,358,893	5,220,130	2,172,095	3,197,715	3,355,477	3,125,729	9,271,355
Debt Service:										
Principal	443,227	468,895	484,559	504,559	504,559	392,559	429,558	450,000	500,000	500,000
Interest and Other Charges	84,565	69,428	53,724	37,554	21,054	182,652	115,375	111,000	105,625	97,500
Total expenditures	72,854,479	75,613,410	78,199,493	81,198,209	83,522,918	82,698,985	84,848,439	83,284,884	86,435,705	96,959,782
Excess (Deficiency) of revenues over (under) expenditures	2,469,755	(115,323)	(383,921)	(1,657,877)	2,696,434	(1,183,590)	(1,143,689)	891,445	1,060,357	(6,594,664)
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)	100,500	511,770	330,169	910,885	227,982	-	1,234,704	639,384	1,042,024	7,972,642
Transfers in	-	-	1,544,113	2,538,568	1,706,250	300,000	100,000	1,601,870	959,102	913,434
Transfers out	(221,211)	(117,049)	(1,679,701)	(2,696,176)	(1,862,796)	(457,623)	(164,410)	(1,772,660)	(1,146,802)	(913,434)
Total other financing sources (uses)	(120,711)	394,721	194,581	753,277	71,435	(157,623)	1,170,294	468,594	854,324	7,972,642
Net change in fund balances	\$ 2,349,044	\$ 279,398	\$ (189,340)	\$ (904,600)	\$ 2,767,870	\$ (1,341,213)	\$ 26,605	\$ 1,360,039	\$ 1,914,681	\$ 1,377,978
Debt service as a percentage of noncapital expenditures	0.731%	0.726%	0.716%	0.724%	0.671%	0.714%	0.667%	0.702%	0.727%	0.681%

Source: District Records, B-2

Note: Noncapital expenditures are total expenditures less capital outlay.

## WEST MILFORD BOARD OF EDUCATION

**General Fund - Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

Fiscal Year Ended June 30,	Interest on Investments	Rentals	Tuition	Transportation	Misc.	Total
2013	19,159	109,034	-	62,868	307,527	498,588
2014	18,279	147,723	144,926	18,142	247,066	576,136
2015	20,754	134,298	346,766	34,747	414,551	951,116
2016	1,870	137,174	363,804	465	482,709	986,023
2017	1,846	126,793	342,190	13,572	258,326	742,728
2018	3,697	109,379	298,606	-	425,146	836,828
2019	10,312	24,955	242,559	-	275,857	553,683
2020	11,852	1,928	188,738	2,077	441,794	646,389
2021	1,304	441	126,062	-	815,427	943,234
2022	3,187	26,462	319,242	-	352,123	701,014

Source: District Records, B-2

**WEST MILFORD 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.	Cfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2013	81,400,000	2,424,966,800	49,039,000	649,300	208,093,500	18,993,600	1,863,100	2,785,005,300	1,648,987	2,786,654,287	1.884	2,998,856,585
2014	58,415,600	2,408,541,400	47,275,700	602,100	206,092,900	43,988,000	1,643,600	2,766,559,300	-	2,766,559,300	1.935	2,903,914,654
2015	71,583,700	2,400,609,100	45,479,600	568,800	203,852,000	42,403,800	1,643,600	2,766,140,600	-	2,766,140,600	1.955	3,061,922,394
2016	71,726,400	2,395,301,900	46,594,900	551,500	203,171,500	42,229,100	1,643,600	2,761,218,900	100	2,761,219,000	1.958	3,009,175,013
2017	71,272,800	2,389,560,800	47,925,600	557,500	194,201,100	42,229,100	1,643,600	2,747,390,500	-	2,747,390,500	1.968	2,987,917,990
2018	69,741,300	2,386,624,000	49,136,900	570,800	191,330,900	42,015,100	1,643,600	2,741,062,700	100	2,741,062,700	2.021	2,984,770,664
2019	69,399,300	2,389,459,300	47,526,600	592,600	190,758,100	42,015,100	1,543,600	2,741,294,600	100	2,741,294,600	2.057	3,137,210,675
2020	67,939,100	2,387,463,500	48,468,800	594,000	194,950,000	41,891,200	1,543,600	2,742,850,200	100	2,742,850,200	2.108	3,162,151,487
2021	70,991,000	2,384,412,800	48,351,700	593,500	181,994,300	41,891,200	1,543,600	2,729,778,100	100	2,729,778,100	2.160	3,430,231,340
2022	70,996,600	2,387,634,300	49,761,200	587,800	181,104,800	41,136,500	1,543,600	2,732,764,800	-	2,732,764,800	2.196	3,243,197,801

Source: Passaic County, Abstract of Rates & Municipal Tax Assessor

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

Reassessment occurs when County Board of Taxation requests Treasury to order reassessment.

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

<sup>b</sup> Tax rates are per \$100 of assessed value

<sup>c</sup> Revaluation/Reassessment Year.



**WEST MILFORD BOARD OF EDUCATION**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	West Milford Board of Education			Township of West Milford <sup>c</sup>	Passaic County	Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct			
2013	1.866	0.018	1.884	0.840	0.752	3.476
2014	1.917	0.018	1.935	0.883	0.758	3.577
2015	1.936	0.019	1.955	0.909	0.802	3.666
2016	1.939	0.019	1.958	0.925	0.826	3.709
2017	1.949	0.019	1.968	0.929	0.807	3.703
2018	2.008	0.013	2.021	0.865	0.800	3.686
2019	2.046	0.010	2.056	0.863	0.774	3.693
2020	2.098	0.010	2.108	0.863	0.774	3.745
2021	2.149	0.011	2.160	0.862	0.763	3.785
2022	2.185	0.011	2.196	0.878	0.794	3.868

Source: District Records and Municipal Tax Collector

**Note:**

**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.

WEST MILFORD BOARD OF EDUCATION

Principal Property Tax Payers,  
Current Year and Ten Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
City of Newark	\$ 43,193,200	1	1.58%	\$ 24,444,700	1	0.88%
Tenneco Pipeline	25,284,400	2	0.93%	22,525,700	2	0.81%
Inserra/WMLLC	18,099,700	3	0.66%	17,096,800	3	0.61%
HCRI NY-NJ Properties LLC	11,619,700	4	0.43%			
Sprint - Overland Park	4,546,800	5	0.17%	7,413,300	6	0.27%
Lakeland State Bank	4,380,000	6	0.16%	5,970,600	7	0.21%
Suez Water NJ Inc	4,291,500	7	0.16%			
NSA Property Holdings, LLC	4,249,100	8	0.16%			
Bald Eagle Realty	4,000,000	9	0.15%	9,995,500	5	0.36%
KYH Properties, LLC	3,912,700	10	0.14%			
West Milford Shopping Plaza				16,864,400	4	0.61%
Bald Eagle Square				4,950,000	8	0.18%
LGP Realty of West Milford LLC				4,693,700	9	0.17%
69 Maple Ave Associates				4,650,000	10	0.17%
Total	\$ 123,577,100		4.53%	\$ 118,604,700		4.27%

Source: Municipal Tax Assessor's Office

**WEST MILFORD 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 <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	51,725,764	51,725,764	100.00%	-
2014	52,496,334	52,496,334	100.00%	-
2015	53,540,227	53,540,227	100.00%	-
2016	54,080,579	54,080,579	100.00%	-
2017	54,067,557	54,067,557	100.00%	-
2018	54,057,230	54,057,230	100.00%	-
2019	55,376,021	55,376,021	100.00%	-
2020	56,113,022	56,113,022	100.00%	-
2021	57,515,848	57,515,848	100.00%	-
2022	58,666,165	58,666,165	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 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.

## WEST MILFORD BOARD OF EDUCATION

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Loans Payable	Capital Leases			
2013	2,313,000	46,687	740,945	3,100,632	0.2761%	117
2014	1,868,000	22,792	740,945	2,631,737	0.2219%	100
2015	1,388,000	18,234	680,940	2,087,174	0.1715%	79
2016	888,000	13,676	1,173,897	2,075,572	0.1687%	79
2017	6,888,000	9,117	998,601	7,895,718	0.6333%	299
2018	6,500,000	4,559	606,306	7,110,864	0.5484%	270
2019	6,075,000	-	1,272,539	7,347,539	0.5451%	279
2020	5,625,000	-	1,296,544	6,921,544	0.4729%	264
2021	5,125,000	-	1,696,405	6,821,405	Not available	278
2022	4,625,000	-	1,729,148	6,354,148	Not available	Not available

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

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

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

**WEST MILFORD BOARD OF EDUCATION**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	2,313,000	-	2,313,000	0.08%	88
2014	1,868,000	-	1,868,000	0.07%	71
2015	1,388,000	-	1,388,000	0.05%	53
2016	888,000	-	888,000	0.03%	34
2017	6,888,000	-	6,888,000	0.25%	261
2018	6,500,000	-	6,500,000	0.24%	246
2019	6,075,000	-	6,075,000	0.22%	231
2020	5,625,000	-	5,625,000	0.21%	214
2021	5,125,000	-	5,125,000	0.19%	209
2022	4,625,000	-	4,625,000	0.17%	Not available

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

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

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

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding.

WEST MILFORD BOARD OF EDUCATION

Direct and Overlapping Governmental Activities Debt  
Year Ended June 30, 2022

<u>Governmental Unit</u>	<u>(1) Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b> Township of West Milford	26,692,347	100.000%	26,692,347
<b>Other debt</b> Passaic County Passaic County Utility Authority	287,453,895 42,190,000	6.066% 6.066%	17,437,030 2,559,257
Subtotal, overlapping debt			46,688,633
<b>West Milford Township School District Direct Debt</b>			<u>4,625,000</u>
<b>Total direct and overlapping debt</b>			<u>\$ 51,313,633</u>

**Sources:** Township of West Milford Finance Officer, Passaic County Finance Office.

**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 West Milford. 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.

(1) Debt Information as of December 31, 2019

WEST MILFORD BOARD OF EDUCATION

Legal Debt Margin Information,  
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis	
2019	\$ 3,137,210,575
2020	\$ 3,162,151,487
2021	\$ 3,430,231,340
[A]	<u>\$ 9,729,593,402</u>
Average equalized valuation of taxable property	\$ 3,243,197,801
Debt limit (4% of average equalization value)	[B] 129,727,912
Total Net Debt Applicable to Limit	[C] 4,625,000
Legal debt margin	[B-C] <u>\$ 125,102,912</u>

	Fiscal Years Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 131,113,321	125,220,894	119,942,363	119,507,258	119,666,827	120,786,868	120,265,054	121,972,197	124,295,311	129,727,912
Total net debt applicable to limit	2,359,687	1,890,792	1,406,234	901,676	6,897,117	6,504,559	6,075,000	5,625,000	5,125,000.00	4,625,000
Legal debt margin	<u>\$ 128,753,634</u>	<u>\$ 123,330,102</u>	<u>\$ 118,536,129</u>	<u>\$ 118,605,582</u>	<u>\$ 112,769,710</u>	<u>\$ 114,282,309</u>	<u>\$ 114,190,054</u>	<u>\$ 116,347,197</u>	<u>\$ 119,170,311</u>	<u>\$ 125,102,912</u>
Total net debt applicable to the limit as a percentage of debt limit	1.80%	1.51%	1.17%	0.75%	5.76%	5.39%	5.05%	4.61%	4.12%	3.57%

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

## WEST MILFORD BOARD OF EDUCATION

Demographic and Economic Statistics  
Last Ten Fiscal Years

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (thousands of dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2012	26,382	1,105,590,474	41,907	8.6%
2013	26,402	1,123,061,874	42,537	7.6%
2014	26,408	1,185,930,464	44,908	6.0%
2015	26,424	1,216,693,080	46,045	5.1%
2016	26,388	1,230,129,396	46,617	4.4%
2017	26,418	1,246,691,838	47,191	4.1%
2018	26,372	1,296,632,124	49,167	3.8%
2019	26,324	1,347,867,772	51,203	3.1%
2020	26,242	1,463,647,550	55,775	8.2%
2021	24,579	**	Not Available	5.6%

**Source:**

- (1) U.S. Bureau of the Census, Population Division, ( Estimates April 1, 2012 to July 1, 2021)  
(2) Personal Income of the District is based on the County information.  
(3) U.S. Department of Commerce, County information 2012-2021.  
(4) N.J. Department of Labor.



WEST MILFORD BOARD OF EDUCATION

Principal Employers,  
Current Year and Ten Years Ago

Employer	2022			2013		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment

No Data is available for this schedule

WEST MILFORD BOARD OF EDUCATION

Full-time Equivalent District Employees by Function/Program,

Last Ten Fiscal Years

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	248.00	240.30	238.80	237.2	239.2	241.00	235.00	226.10	216.10	215.00
Special education	111.50	109.40	110.20	102.3	101.3	113.40	97.00	110.00	98.80	98.75
Other special education	12.00	14.40	11.20	16.50	17.00	15.60	16.00	15.60	14.60	16.60
Other instruction	2.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Support Services:										
Student & instruction related services	52.50	66.00	56.60	53.10	56.50	57.50	56.56	52.70	49.30	54.20
General administrative services	10.50	14.00	14.10	10.00	10.75	11.80	7.05	11.50	11.50	11.50
School administrative services	42.00	37.90	39.70	40.35	36.60	35.00	32.40	40.50	38.00	35.10
Central services and Admin.Infor. Tech.	12.00	16.00	11.10	15.28	20.20	18.25	12.20	18.60	18.00	18.75
Plant operations and maintenance	47.00	60.65	60.55	63.55	65.25	58.25	56.50	57.90	59.60	52.45
Pupil transportation	58.50	61.30	53.45	50.60	55.85	63.00	58.60	46.15	40.05	38.75
Food Service	29.00	17.35	15.06	15.00	15.00	12.00	11.00	8.20	7.10	7.60
Adult Community School	22.00	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>647.00</b>	<b>640.30</b>	<b>611.76</b>	<b>604.88</b>	<b>618.65</b>	<b>626.8</b>	<b>583.31</b>	<b>588.25</b>	<b>554.05</b>	<b>549.70</b>

Source: District Budget Records

WEST MILFORD BOARD OF EDUCATION

Operating Statistics

Last Ten Fiscal Years

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2013	3,814	71,687,444	18,796	4.13%	302	1:23	1:11	1:26	3,685.5	3,494.4	-2.94%	94.80%
2014	3,768	73,637,509	19,543	4.79%	319	1:11	1:24	1:23	3,597.6	3,444.3	-0.78%	95.74%
2015	3,710	74,984,506	20,211	3.42%	308	1:15	1:29	1:14	3,597.3	3,442.2	-0.01%	95.70%
2016	3,613	74,297,203	20,564	1.75%	308	1:12	1:12	1:12	3,484.5	3,334.9	-3.14%	95.71%
2017	3,377	77,776,917	23,031	12.00%	320	1:11	1:11	1:10	3,387.9	3,225.8	-2.77%	95.21%
2018	3,288	79,951,679	24,316	5.58%	308	1:11	1:11	1:11	3,362.2	3,214.4	-0.76%	95.60%
2019	3,268	81,105,791	24,818	2.06%	300	1:11	1:12	1:11	3,294.0	3,144.8	-2.03%	95.47%
2020	3,241	79,368,186	24,489	-1.33%	288	1:11	1:08	1:11	3,163.0	3,063.0	-3.98%	96.84%
2021	3,089	82,704,350	26,774	9.33%	286	1:10	1:12	1:10	3,019.0	2,920.4	-4.55%	96.73%
2022	3,133	87,090,927	27,798	-27.76%	276	1:10	1:12	1:10	3,051.6	2,874.0	1.08%	94.18%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

WEST MILFORD BOARD OF EDUCATION

School Building Information

Last Ten Fiscal Years

District Building	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Elementary</b>										
Aphawa (1996)										
Square Feet	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172	37,172
Capacity (students)	367	367	367	367	367	367	367	367	367	367
Enrollment	264	264	260	276	276	264	244	242	197	186
Maple Road (1968)										
Square Feet	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947	46,947
Capacity (students)	373	373	373	373	373	373	373	373	373	416
Enrollment	327	327	282	274	275	295	295	285	228	231
Marshall Hill (1959)										
Square Feet	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546	37,546
Capacity (students)	486	486	486	486	486	486	486	486	486	486
Enrollment	307	307	289	294	265	256	272	265	236	251
Paradise Knoll (1955)										
Square Feet	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547	30,547
Capacity (students)	350	350	350	350	350	350	350	350	350	350
Enrollment	302	302	324	296	280	273	274	243	180	192
Upper Greenwood Lake (1966)										
Square Feet	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155	36,155
Capacity (students)	456	456	456	456	456	456	456	456	456	456
Enrollment	283	283	328	302	298	306	307	298	199	192
Westbrook (1973)										
Square Feet	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339	42,339
Capacity (students)	508	508	508	508	508	508	508	508	508	444
Enrollment	395	395	366	362	351	315	301	280	215	238

WEST MILFORD BOARD OF EDUCATION

School Building Information

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>Middle School</u></b>										
Macopin (1959)										
Square Feet	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066	105,066
Capacity (students)	869	869	869	869	869	869	869	869	869	869
Enrollment	604	615	576	540	526	519	535	518	761	777
<b><u>High School</u></b>										
West Milford (1976)										
Square Feet	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514	182,514
Capacity (students)	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840	1,840
Enrollment	1,220	1,182	1,173	1,149	1,106	1,060	1,040	985	954	936
<b><u>Other</u></b>										
Administration Building (1976)										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation Office (1976)										
Square Feet	980	980	980	980	980	980	980	980	980	980
Transportation Garage (1976)										
Square Feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Transportation Garage (2005)										
Square Feet	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Maintenance Pole Barn (1985)										
Square Feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Hillcrest Community Center (1925)										
Square Feet	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005

Number of Schools at June 30, 2021

Elementary = 6

Middle School = 1

High School = 1

Other = 6

**Source:** District records, ASSA

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

WEST MILFORD BOARD OF EDUCATION

GENERAL FUND  
 SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITY  
 LAST TEN FISCAL YEARS  
 UNAUDITED

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

*School Facilities	Project # (s)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
WEST MILFORD HIGH SCHOOL	N/A	142,327	171,895	218,730	161,736	190,743	273,852	157,713	262,992	205,938	191,318
APSHAWA	N/A	58,706	54,150	53,969	25,622	48,211	42,595	63,120	26,474	46,534	52,637
MACOPIN	N/A	127,421	209,531	90,305	77,241	111,315	135,015	110,186	160,368	125,260	144,038
MAPLE ROAD	N/A	74,963	93,811	107,914	68,818	70,909	53,892	59,152	57,431	67,017	24,319
MARSHALL HILL	N/A	53,748	114,461	50,545	146,260	48,852	39,206	51,590	36,144	51,995	86,234
PARADISE KNOLL	N/A	53,008	83,682	46,496	56,011	39,952	48,323	59,523	30,093	51,938	42,999
UPPER GREENWOOD LAKE	N/A	138,647	137,517	71,646	114,542	84,199	55,514	57,576	99,891	34,252	47,783
WEST BROOK	N/A	64,926	51,800	88,672	95,004	43,925	81,532	53,068	64,160	31,903	69,634
ADMINISTRATION	N/A	26,698	23,210	10,557	16,178	19,357	12,054	41,713	14,351	47,971	65,360
HILLCREST	N/A	2,993	8,640	6,685							5,231
MAINTENANCE POLE BARN	N/A	18,800	30,858	47,717	53,487	32,207	88,914	73,257	92,437	36,569	45,634
TRANSPORTATION GARAGE	N/A	30,160	62,821	56,369	14,638	34,684	16,897	15,378	21,653	14,901	17,074
TOTAL SCHOOL FACILITIES		792,397	1,042,376	849,605	829,537	724,355	847,794	742,276	865,994	714,278	792,261

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

Source: District Records

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule  
June 30, 2022  
Unaudited

	<u>Limit</u>	<u>Deductible</u>
Policy #GPNU-EP-0015775-00/000		
<b><u>Property &amp; Casualty</u></b> - National Union Fire Insurance		
Company of Pittsburgh		
Building & Contents including Equipment Breakdown	\$ 126,212,432	5,000
Commercial General Liability:		
Per Occurrence	1,000,000	
Personal and Advertising Injury Limit	1,000,000	
Damage to Rented Premises	1,000,000	
Product/Completed Operations Aggregate	3,000,000	
General Aggregate - Policy Limit	3,000,000	
Medical Expenses	10,000	
Employee Benefits Liability	1,000,000	
Business Income	250,000	5,000
Extra Expense	5,000,000	5,000
Limited Pollution Liability Extension	1,000,000	
Employee Dishonesty including Faithful Performance	500,000	5,000
Forgery or Alteration	250,000	5,000
Ordinance or Law Coverage B&C	1,000,000	5,000
Form C Loss (Inside) Money & Securities	250,000	5,000
EDP Equipment Coverage	Per Schedule	5,000
Earthquake - Blanket Coverage	5,000,000	100,000
Flood (Outside Zones A,V or B)	5,000,000	50,000
(Zone B)	2,000,000	100,000
(Zone A, N or V)	1,000,000	500,000
Commercial Automobile Liability	1,000,000	
Towing & Labor	5,000	
Comprehensive & Collision	Symbol 2 & 8	1,000
	<u>Limit</u>	<u>Retention</u>
<u>Commercial Umbrella</u> - National Union Fire Insurance		
Company of Pittsburgh		
Policy GPNU-EP-0015775-001	\$ 9,000,000	10,000
<u>Excess Liability</u> - Fireman's Fund		
Policy USL009329203	25,000,000	Excess of \$40 Million
<u>Excess Liability</u> - NJUIP	30,000,000	Excess of \$10 Million
<u>School Board Legal Liability E&amp;O</u> - XL Insurance		
Policy - ELL095035903	1,000,000	
Insuring Agreement A & C		25,000
Insuring Agreement B		50,000

WEST MILFORD SCHOOL DISTRICT

Insurance Schedule  
June 30, 2022  
Unaudited

	<u>Limit</u>	<u>Retention</u>
<u>Public Official Bonds</u>		
Barbara Francisco, Business Admin. Board Sec. Hanover Insurance Company Bond #BOY8903487 Bond Term: 7/31/21-7/31/22	\$ 450,000	N/A
Jacqueline Massaro, Treasurer Liberty Mutual Surety Bond #16L002060 Bond Term: 6/30/21-6/30/22	343,000	N/A
<u>Cyber Liability - Indian Harbor Insurance Company</u>		
Policy - MTP004157207 Combined Policy Aggregate Limit Claims Made Form - Retro Date Coverage	2,000,000	100,000 Full Prior Acts
<u>Environmental Impairment Liability - Site Specific - Chubb</u> (Markel Evanston Insurance Company)		
Claims Made Form Policy MKLV1ENV103057 Per Pollution Condition Per Named Insured Sublimit Self-Insured - Retention Program Aggregate	1,000,000 3,000,000 10,000,000	25,000
<u>Storage Tank Third Party Liability - Nautilus Insurance Co.</u>		
Claims Made Form Policy - CST2003317-20 Each Claim Total all Claims Coverage E: Defense (Occ/Total) Retro Date Coverages A and B: 140 High Crest Drive 41 Henry Road 51 Highlander Drive Policy Term: 7/30/21-7/30/22	<u>Limit</u> \$ 1,000,000 1,000,000 250,000	<u>Deductible</u> 5,000 9/30/1998 7/1/1998 7/30/2011
<u>NFIP Flood Insurance Policy - Selective Ins. Co. of New England</u>		
Policy-FLD2296031 Building Contents Policy Term: 4/11/21-4/11/22 Policy Term: 4/11/22-4/11/23	100,000 50,000	1,000 1,000



**SINGLE AUDIT SECTION**



# WIELKOTZ & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and  
Members of the Board of Education  
Township of West Milford School District  
County of Passaic, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Township of West Milford School District, in the County of Passaic, New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated February 16, 2023.

***Internal Control Over Financial Reporting***

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



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

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

### ***Compliance and Other Matters***

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

We noted certain matters that were required to be reported to the Board of Education of the Township of West Milford School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated February 16, 2023.

### ***Purpose of this Report***

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

*Steven D. Wielkotz*

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

*Wielkotz + Company, LLC*

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

February 16, 2023





# WIELKOTZ & COMPANY L.L.C.

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

Honorable President and  
Members of the Board of Education  
Township of West Milford School District  
County of Passaic, New Jersey

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

***Opinion on Each Major Federal and State Program***

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

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

**Basis for Opinion on Each Major Federal and State Program**

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



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

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

### **Responsibilities of Management for Compliance**

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

### **Auditor's Responsibilities for the Audit of Compliance**

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

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

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



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

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

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

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

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

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



Honorable President and  
Members of the Board of Education

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

*Steven D. Wielkocz*

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

*Wielkocz & Company, LLC*

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

February 16, 2023



**WEST MILFORD SCHOOL DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**for the Fiscal Year Ending June 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Award Identification Number (FAIN)	Grant State Project Number	Award Amount	Grant Period From / To	June 30, 2021		Cash Received	Budgetary Expenditures	June 30, 2022		MEMO Cumulative Total Expenditures
						(Accounts Receivable)	Unearned Revenue			(Accounts Receivable)	Unearned Revenue	
<b>Passed-through State Department of Education:</b>												
<b>U.S. Department of Health and Human Services:</b>												
Medicaid Reimbursement	93.778	2005NU5MAP	N/A	130,792	7/1/21-6/30/22	-	-	130,792	(130,792)	-	-	130,792
Total General Fund						-	-	130,792	(130,792)	-	-	130,792
<b>U.S. Department of Agriculture</b>												
<b>Passed - through State Department of Education:</b>												
<b>Enterprise Fund:</b>												
U.S.D.A. Commodities Program	10.550	221NJ304N1099	N/A	96,821	7/1/21-6/30/22	-	1,910	96,821	(97,676)	-	1,055	97,676
National School Lunch Program	10.555	221NJ304N1099	N/A	1,686,366	7/1/21-6/30/22	-	-	1,686,366	(1,686,366)	-	-	1,686,366
National School Lunch Program	10.555	211NJ304N1099	N/A	628,261	7/1/20-6/30/21	(171,487)	-	1,711,487	-	(122,754)	-	628,261
After School Snack Program	10.555	221NJ304N1099	N/A	15,376	7/1/21-6/30/22	-	-	14,181	(15,376)	(1,195)	-	15,376
After School Snack Program	10.555	211NJ304N1099	N/A	1,096	7/1/20-6/30/21	(300)	-	300	-	-	-	1,096
U.S.D.A. Supply Chain Assistance	10.555	221NJ304N1099	N/A	66,802	7/1/21-6/30/22	-	-	27,694	(66,802)	-	-	66,802
Emergency Operational Cost Program - Schools	10.555	202121H170341	N/A	27,694	7/1/21-6/30/22	-	-	116,328	(27,694)	-	-	27,694
School Breakfast Program	10.553	221NJ304N1099	N/A	126,318	7/1/21-6/30/22	(3,671)	-	116,328	(126,318)	(9,990)	-	126,318
School Breakfast Program	10.553	211NJ304N1099	N/A	81,948	7/1/20-6/30/21	(175,458)	1,910	3,671	-	(200,742)	1,055	81,947
Total Enterprise Fund						(175,458)	1,910	1,994,095	(2,020,233)	(200,742)	1,055	2,731,538
<b>U.S. Department of Education</b>												
<b>Passed - through State Department of Education:</b>												
<b>Special Revenue Fund:</b>												
Title I - Improving Basic Programs	84.010	S010A210030	ESEA5650-22	152,791	9/1/21-8/31/22	-	-	101,924	(176,234)	(74,310)	-	176,234
Title I - Improving Basic Programs	84.010	S010A200030	ESEA5650-21	313,058	9/1/20-8/31/21	(136,320)	-	136,320	(136,320)	(74,310)	-	279,592
						(136,320)	-	238,244	(176,234)	(74,310)	-	455,826
Title II - A - Teacher & Principal Training & Recruiting	84.367	S367A210029	ESEA5650-22	63,733	9/1/21-8/31/22	-	-	55,227	(69,701)	(14,474)	-	69,701
Title II - A - Teacher & Principal Training & Recruiting	84.367	S367A200029	ESEA5650-21	67,210	9/1/20-8/31/21	(166)	-	166	-	-	-	27,231
						(166)	-	55,393	(69,701)	(14,474)	-	96,933
Title IV - Safe and Drug-Free Schools	84.424	S424A210031	ESEA5650-22	22,851	9/1/21-8/31/22	-	-	16,257	(22,974)	(6,717)	-	22,974
Title IV - Safe and Drug-Free Schools	84.424	S424A200031	ESEA5650-21	23,018	9/1/20-8/31/21	(137)	-	137	-	(6,717)	-	1,922
						(137)	-	16,394	(22,974)	(6,717)	-	24,895
IDEA Part B, Basic Regular	84.027	H027A210100	IDEA5650-22	838,775	9/1/21-8/31/22	-	-	818,389	(838,775)	(20,386)	-	838,775
IDEA Part B, Preschool	84.173	H173A210114	IDEA5650-22	37,984	9/1/21-8/31/22	-	-	37,984	(37,984)	-	-	37,984
						-	-	856,373	(876,759)	(20,386)	-	876,759
CARES Emergency Relief Grant	84.425D	S425D200027	N/A	264,301	3/13/20-9/30/22	(5,626)	-	66,851	(64,666)	(3,441)	-	264,300
CRRSA - ESSER II	84.425D	S425D210027	N/A	1,026,095	3/13/20-9/30/23	-	-	452,819	(649,074)	(196,255)	-	649,074
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	65,850	3/13/20-9/30/23	(24,900)	-	57,312	(40,438)	(8,025)	-	65,337
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20-9/30/23	-	-	4,000	(4,000)	-	-	4,000
						(24,900)	-	514,131	(683,512)	(204,280)	-	718,411
ARP - ESSER	84.425U	S425U210027	N/A	2,306,083	3/13/20-9/30/24	-	-	-	(26,149)	(26,149)	-	26,149
ARP - Summer Learning & Enrichment	84.425U	S425U210027	N/A	40,000	3/13/20-9/30/24	-	-	909	(5,980)	(4,671)	-	5,980
ARP - Beyond the Schoolday	84.425U	S425U210027	N/A	40,000	3/13/20-9/30/24	-	-	9,955	(14,238)	(4,283)	-	14,238
						-	-	10,864	(45,367)	(35,103)	-	45,967
ARP - IDEA Basic	84.027X	H027X210100	ARPIEA5650-22	135,007	3/13/20-9/30/24	-	-	127,867	(135,007)	(7,140)	-	135,007
ARP - IDEA Preschool	84.173X	H173X210100	ARPIEA5650-22	11,509	3/13/20-9/30/24	-	-	11,509	(11,509)	-	-	11,509
						-	-	138,376	(146,516)	(7,140)	-	146,516
Total Special Revenue Fund						(167,149)	-	1,897,626	(2,096,329)	(365,852)	-	2,629,608
Total Federal Financial Awards						(342,607)	1,910	4,022,513	(4,247,355)	(566,593)	1,055	5,491,938

See accompanying notes to Schedules of Expenditures of Federal awards and State Financial Assistance.



**WEST MILFORD SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**for the Fiscal Year Ending June 30, 2022**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	June 30, 2021		Cash Received	Budgetary Expenditures	June 30, 2022 (Accounts Receivable)	MEMO	
				(Accounts Receivable)	Due to Grantor				Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>										
<b>General Fund:</b>										
Equalization Aid	495-034-5120-078	4,950,596	7/1/21-6/30/22	-	-	4,480,137	(4,950,596)	-	(470,459)	4,950,596
Transportation Aid	495-034-5120-014	842,009	7/1/21-6/30/22	-	-	761,992	(842,009)	-	(80,017)	842,009
Categorical Special Education Aid	495-034-5120-089	2,725,234	7/1/21-6/30/22	-	-	2,466,253	(2,725,234)	-	(258,981)	2,725,234
Categorical Security Aid	495-034-5120-084	3,392,929	7/1/21-6/30/22	-	-	307,625	(339,929)	-	(32,304)	2,392,929
Subtotal State Aid - Public Cluster				-	-	8,016,007	(8,857,768)	-	(841,761)	10,910,768
Extraordinary Special Education Aid	495-034-5120-473	1,727,974	7/1/21-6/30/22	-	-	-	(1,727,974)	(1,727,974)	-	1,727,974
Extraordinary Special Education Aid	495-034-5120-473	1,656,199	7/1/20-6/30/21	(1,656,199)	-	1,656,199	-	-	-	1,656,199
Nonpublic Transportation Aid	495-034-5120-014	21,170	7/1/21-6/30/22	-	-	-	(21,170)	(21,170)	-	21,170
Nonpublic Transportation Aid	495-034-5120-014	24,650	7/1/20-6/30/21	(24,650)	-	24,650	-	-	-	24,650
On-Behalf TPAF Pension	495-034-5094-006	11,400,591	7/1/21-6/30/22	-	-	11,400,591	(11,400,591)	-	-	11,400,591
On-Behalf TPAF NCGI Premium	495-034-5094-007	160,846	7/1/21-6/30/22	-	-	160,846	(160,846)	-	-	160,846
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	2,701,219	7/1/21-6/30/22	-	-	2,701,219	(2,701,219)	-	-	2,701,219
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,328	7/1/21-6/30/22	-	-	3,328	(3,328)	-	-	3,328
Reimbursed TPAF - Social Security	495-034-5094-003	2,146,895	7/1/21-6/30/22	(1,680,849)	-	2,036,987	(2,146,895)	(109,908)	(841,761)	2,146,895
Total General Fund						25,999,827	(27,019,791)	(1,859,052)		30,753,640
<b>Debt Service Fund:</b>										
Debt Service Aid	495-034-5120-075	203,150	7/1/21-6/30/22	-	-	203,150	(203,150)	-	-	203,150
Total Debt Service Fund						203,150	(203,150)	-	-	203,150
<b>Special Revenue Fund:</b>										
School Development Authority										
Emergent Need and Capital Maintenance	N/A	79,142	7/1/21-6/30/22	-	-	79,142	(79,142)	-	-	79,142
Total Special Revenue Fund						79,142	(79,142)	-	-	79,142
<b>State Department of Agriculture Enterprise Fund:</b>										
State School Lunch Program	100-010-3350-023	39,670	7/1/21-6/30/22	-	-	36,845	(39,670)	(2,825)	-	39,670
State School Lunch Program	100-010-3350-023	33,126	7/1/20-6/30/21	(7,160)	-	7,160	-	-	-	33,126
Total Enterprise Fund						44,005	(39,670)	(2,825)	-	72,796
Total State Financial Assistance						26,326,124	(27,341,753)	(1,861,877)	(841,761)	31,108,728
<b>Less: On-Behalf Contributions:</b>										
On-Behalf TPAF Pension	495-034-5094-006	11,400,591	7/1/21-6/30/22	-	-	11,400,591	(11,400,591)	-	-	11,400,591
On-Behalf TPAF NCGI Premium	495-034-5094-007	160,846	7/1/21-6/30/22	-	-	160,846	(160,846)	-	-	160,846
On-Behalf TPAF Post Retirement Medical	495-034-5094-001	2,701,219	7/1/21-6/30/22	-	-	2,701,219	(2,701,219)	-	-	2,701,219
On-Behalf TPAF Long-term Disability	495-034-5094-004	3,328	7/1/21-6/30/22	-	-	3,328	(3,328)	-	-	3,328
Total On-Behalf Contributions						14,265,984	(14,265,984)	-	-	14,265,984
Total For State Aid Financial Assistance Determination						12,060,140	(13,075,769)	(1,861,877)	(841,761)	16,842,744

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all Federal and State Award programs of the Board of Education, Township of West Milford School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All Federal Awards and State Financial Assistance 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. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and N.J. OMB Circular 15-08 Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$241,592.00 for the general fund and \$(37,296.87) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

Additionally, as discussed further in Notes 9 and 10, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during 2022 fiscal year was \$14,265,984.

Financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$130,791.82	\$27,446,229.54	\$27,577,021.36
Special Revenue Fund	2,152,746.54	60,021.73	2,212,768.27
Debt Service Fund	-	203,150.00	203,150.00
Food Service	<u>2,019,378.00</u>	<u>39,670.16</u>	<u>2,059,048.16</u>
Total Financial Awards	<u>\$4,302,916.36</u>	<u>\$27,749,071.43</u>	<u>\$32,051,987.79</u>

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

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

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2022. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

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

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

**NOTE 7. INDIRECT COST RATE**

The Township of West Milford School District has elected not to use the 10 percent de minimis Indirect Cost Rate as allowed under the Uniform Guidance.

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Section I - Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- |    |                                      |                   |                            |  |
|----|--------------------------------------|-------------------|----------------------------|--|
| 1) | Material weakness(es) identified?    | <u>      </u> yes | <u>  X  </u> no            |  |
| 2) | Significant deficiencies identified? | <u>      </u> yes | <u>  X  </u> none reported |  |

Noncompliance material to basic financial statements noted?        yes   X   no

**Federal Awards**

Internal Control over major federal programs:

- |    |                                      |                   |                            |  |
|----|--------------------------------------|-------------------|----------------------------|--|
| 1) | Material weakness(es) identified?    | <u>      </u> yes | <u>  X  </u> no            |  |
| 2) | Significant deficiencies identified? | <u>      </u> yes | <u>  X  </u> none reported |  |

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)?        yes   X   no

Identification of major federal programs:

<u>CFDA #</u>	<u>FEIN #</u>	<u>Name of Federal Program or Cluster</u>
		Education Stabilization Fund Cluster:
84.425D	S425D200027	CARES Emergency Relief Grant
84.425D	S425D210027	CRRSA - ESSER II
84.425D	S425D210027	CRRSA - Learning Acceleration
84.425D	S425D210027	CRRSA - Mental Health
84.425U	S425U210027	ARP - ESSER
84.425U	S425U210027	ARP - Summer Learning & Enrichment
84.425U	S425U210027	ARP - Beyond the Schoolday
84.01	S010A210030	Title I - Improving Basic Program

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

Auditee qualified as low-risk audited?   X   yes        no

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(continued)**

*Section I - Summary of Auditor's Results, (continued)*

**State Awards**

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

Auditee qualified as low-risk auditee?   X   yes        no

Internal Control over major state programs:

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

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

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

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

Identification of major state programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
22-495-034-5120-078	State Aid - Public: Equalization Aid
22-495-034-5120-089	Categorical Special Ed Aid
22-495-034-5120-078	Categorical Security Aid

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(continued)**

*Section II - Schedule of Financial Statement Findings*

NONE

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

NONE

**TOWNSHIP OF WEST MILFORD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Status of Prior Year Findings**

None