

**WESTWOOD REGIONAL SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Washington Township, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Westwood Regional School District

Washington Township, New Jersey

For The Fiscal Year Ended June 30, 2022

Prepared by

Business Office

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INTRODUCTORY SECTION



Westwood Regional School District
701 Ridgewood Road
Township of Washington, New Jersey 07676

Tel: 201-664-0880
Fax: 201-664-7642

Jill Mortimer, Ed.D.
Superintendent of Schools

Keith A Rosado
Business Administrator/Board Secretary

January 30, 2023

Honorable President and Members of the Board of Education
Westwood Regional School District
701 Ridgewood Road
Township of Washington, NJ 07676

Dear Board Members:

The Annual Comprehensive Financial Report of the Westwood Regional School District (hereafter the “District”) for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge, 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 the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Westwood Regional School District’s MD&A can be found immediately following the “Independent Auditors’ Report.”

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District’s organizational chart and a list of principal officials. The financial section includes the independent auditors’ report, management’s discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements, and required supplemental information (RSI). The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and the U.S. Uniform Guidance, “Audits of State and Local Governments and Non Profit Organizations,” and the New Jersey OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.” Information related to this single audit, including the auditor’s report on the internal control structure and compliance with

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www.wwrdsd.org

applicable laws and regulations and findings and recommendations, are included in the supplementary information section of this report.

1) REPORTING ENTITY AND ITS SERVICES

The Westwood Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report. The Westwood Regional Board of Education and all of its schools constitute the District’s reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through Grade 12. These include regular, as well as special education for handicapped students. In the 2021-22 fiscal year, the District’s average daily enrollment was 2,766 students, which is a decrease of 2 students from the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Fiscal Year	Average Daily Enrollment	Percent Change
2021-22	2,766	(.07%)
2020-21	2,768	(1.04%)
2019-20	2,797	.90%
2018-19	2,772	.82%
2017-18	2,795	.61%
2016-17	2,778	1.60%
2015-16	2,734	(.03%)
2014-15	2,735	1.75%
2013-14	2,688	.29%
2012-13	2,680	(.92%)

2) ECONOMIC CONDITION AND OUTLOOK

The District’s administration is closely monitoring the cost of operations and continues to look for innovative ways to contain expenses and explore new funding sources in order to maintain the quality of educational services required by the students of the District.

The implementation of the statewide NJ Student Learning Standards requires that we review the need to expand or revise our program offerings which may require additional classroom space, curricular materials, and equipment. Westwood Regional School District does not have the capacity at present to accommodate all of these requirements, but efforts are being made as facilities/resources allow.

The district continues to include Capital Project upgrades and projects within its annual budget and use of Capital Reserves Funds. For the 2021/22 school year projects included the Electrical Panel upgrades at Washington, Berkeley and George School, New faculty Bathroom at Berkeley School, Roof replacement at George School, and Media Center upgrades at the High School.

3) 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 accounting principles generally accepted in the United States of America (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 a part of the district's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

4) BUDGETARY CONTROLS:

In addition to the internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted from 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2022. These are reappropriated automatically into the following fiscal year, and as a result, increase the approved budget.

5) ACCOUNTING SYSTEM AND REPORTS

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

6) CASH MANAGEMENT

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". 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"). GUPDA 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.

7) RISK MANAGEMENT

The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents and fidelity bonds. The District also operates a self-insured workers' compensation program, with an excess insurance policy, New Jersey School Boards Association Insurance Group, a third party claims administrator. Coverage under the workers compensation program is maintained at the statutory levels.


8) INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Bliss, LLP, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act and the related U.S. Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditors' report on the basic 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.

9) ACKNOWLEDGEMENTS

The administration wishes to express its appreciation to the entire business office staff, whose continued efforts and tenacity to ensure the implementation of GAAP and the Board of Education's business policies and regulations make the efficient operation of the district possible. The Business office staff thanks the school district auditors for technical expertise and patience in providing guidance in accounting in general, and this report in particular.

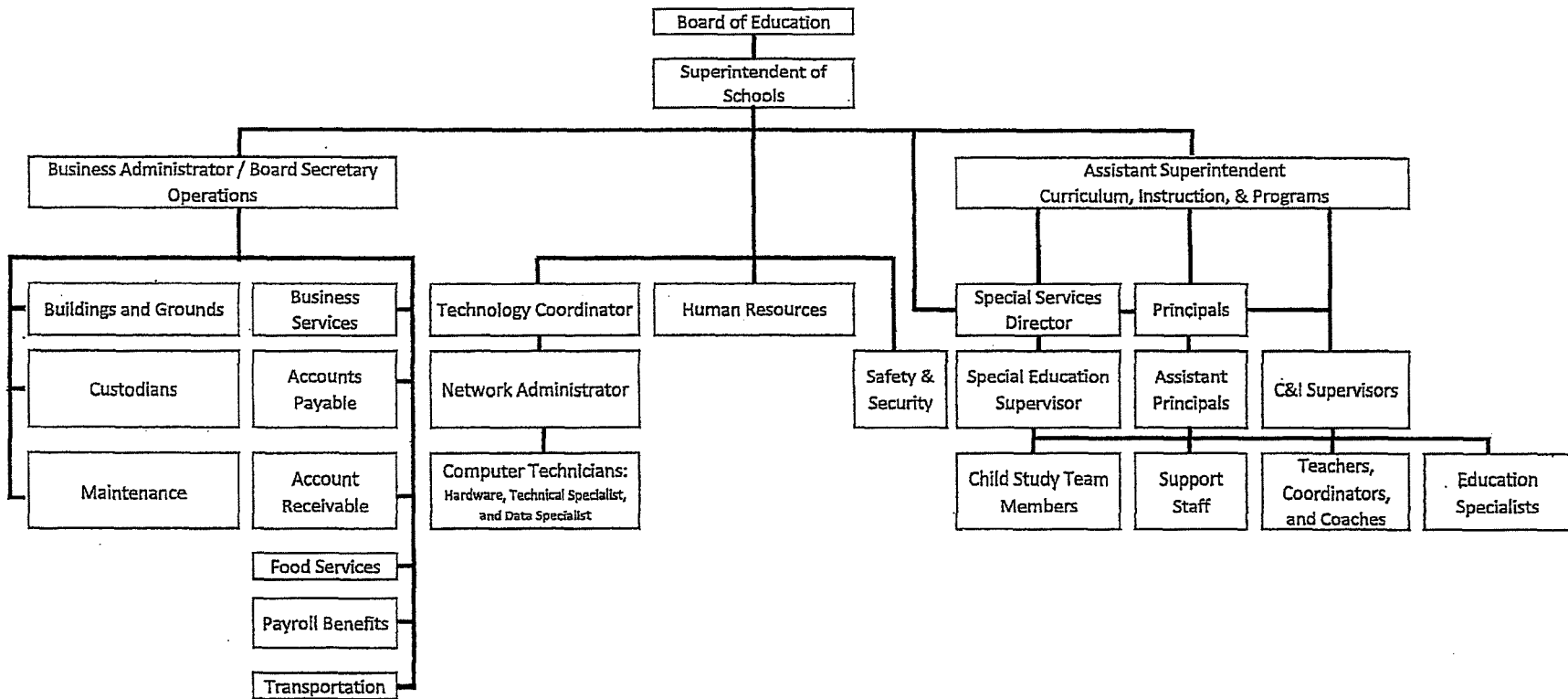
Respectfully submitted,



Jill Mortimer, Ed.D.
Superintendent



Keith A. Rosado
Business Administrator/Board Secretary



WESTWOOD REGIONAL SCHOOL DISTRICT

**ROSTER OF OFFICIALS
as of June 30, 2022**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Frank Romano, President	2024
Michelle Sembler, Vice-President	2022
Maureen Colombo	2023
Roberta Hanlon	2022
Joseph McCallister	2022
Andrea Peck	2024
Kristen Pedersen	2024
Michael Pontillo	2023
Stacey Price	2023

Other Officials

Dr. Jill Mortimer, Superintendent of Schools

Keith A. Rosado, School Business Administrator/Board Secretary

Andrea Wasserman, Treasurer

Rodney T. Hara, Esq., Legal Counsel

WESTWOOD REGIONAL SCHOOL DISTRICT

**CONSULTANTS AND ADVISORS
as of June 30, 2022**

Audit Firm

Lerch, Vinci & Bliss, LLP
17-17 State Highway 208 North
Fair Lawn, NJ 07410

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Special Education Attorney

Machado Law Group, LLC
136 Central Avenue
Clark, NJ 07066

Architect

FKA Architects
306 Ramapo Valley Road
Oakland, NJ 07436

Official Depository

Valley Bank
370 Pascack Road
Washington Twsp., NJ 07676

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

INDEPENDENT AUDITOR’S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Board of Education’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Westwood Regional School District’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of 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, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional 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.
- 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 Westwood Regional School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Westwood Regional School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Westwood Regional School District's basic financial statements. The accompanying 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 schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Westwood Regional School District. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

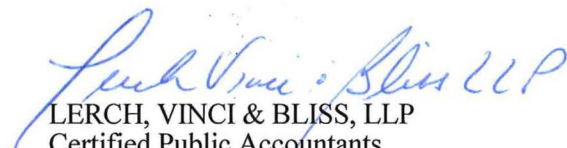
Other Information


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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 30, 2023 on our consideration of the Westwood Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Westwood Regional School District's 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 Westwood Regional School District's internal control over financial reporting and compliance.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 30, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

This section of the Westwood Regional School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- The assets and deferred outflows of resources of the Westwood Regional School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$56,510,766 (net position).
- Overall district-wide revenues were \$76,876,551. General revenues accounted for \$57,229,805, or 74%, of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$19,646,746, or 26% of total revenues.
- The school district had \$68,226,068 in expenses for governmental activities; only \$18,033,507 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$57,229,475 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$30,637,646.
- The General Fund fund balance at June 30, 2022 was \$28,644,632, an increase of \$5,177,438 when compared with the beginning balance at July 1, 2021.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

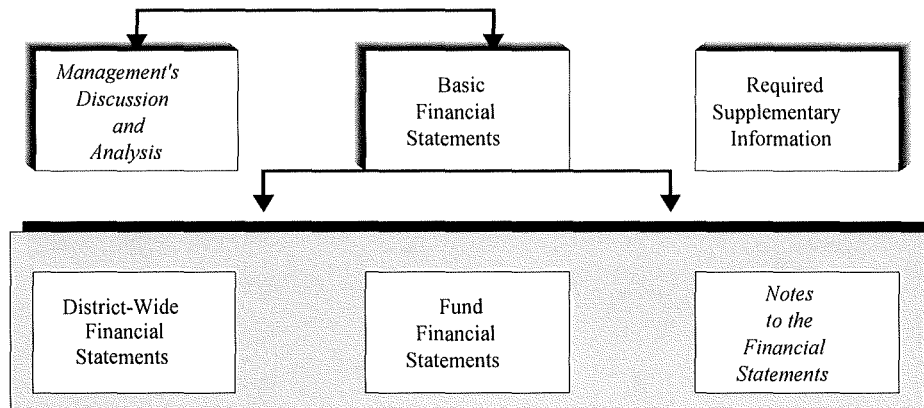
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual* parts of the District, reporting the District's operations in *more detail* than the district-wide statements.
 - The *Governmental funds statements* tell how basic services were financed in the *short term* as well as what remains for future spending.
 - *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The chart below shows how the various parts of this annual report are arranged and related to one another.



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

The table below summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Major Features of the District-Wide and Fund Financial Statement

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
		Scope	Entire district (except fiduciary funds)
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset, deferred inflows/outflows of resources and liability information	All assets, deferred inflows/outflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred inflows of resources and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-wide financial statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health or position.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

District-wide financial statements (continued)

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service, Summer Enrichment Program and 1 to 1 Initiative Program operations are included under this category.

Fund financial statements

The fund financial statements provide more detailed information about the District's funds – focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and bond covenants.
- The District uses other funds established in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (federal and state grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has three enterprise funds, one fund accounts for the Food Service (cafeteria) and the others account for the Summer Enrichment and 1-to-1 initiative Program activities.

Notes to the financial statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The first part of required supplementary information is concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68 and other post-employment benefits other than pensions required under GASB Statement No. 75. The required supplementary information can be found following the notes to the financial statements.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$56,510,766 and \$49,202,270 as of June 30, 2022 and 2021, respectively.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Statement of Net Position
As of June 30, 2022 and 2021**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets						
Current Assets	\$ 32,246,859	\$ 27,266,484	\$ 756,499	\$ 445,027	\$ 33,003,358	\$ 27,711,511
Capital Assets	<u>52,861,580</u>	<u>53,353,814</u>	<u>195,813</u>	<u>203,364</u>	<u>53,057,393</u>	<u>53,557,178</u>
Total Assets	<u>85,108,439</u>	<u>80,620,298</u>	<u>952,312</u>	<u>648,391</u>	<u>86,060,751</u>	<u>81,268,689</u>
Deferred Outflows of Resources	<u>812,711</u>	<u>1,710,772</u>	<u>-</u>	<u>-</u>	<u>812,711</u>	<u>1,710,772</u>
Total Assets and Deferred Outflows of Resources	<u>85,921,150</u>	<u>82,331,070</u>	<u>952,312</u>	<u>648,391</u>	<u>86,873,462</u>	<u>82,979,461</u>
Liabilities						
Other Liabilities	1,795,640	1,817,995	128,646	96,307	1,924,286	1,914,302
Noncurrent Liabilities	<u>24,402,253</u>	<u>28,048,679</u>	<u>-</u>	<u>-</u>	<u>24,402,253</u>	<u>28,048,679</u>
Total Liabilities	<u>26,197,893</u>	<u>29,866,674</u>	<u>128,646</u>	<u>96,307</u>	<u>26,326,539</u>	<u>29,962,981</u>
Deferred Inflows of Resources	<u>4,036,157</u>	<u>3,814,210</u>	<u>-</u>	<u>-</u>	<u>4,036,157</u>	<u>3,814,210</u>
Total Liabilities and Deferred Inflows of Resources	<u>30,234,050</u>	<u>33,680,884</u>	<u>128,646</u>	<u>96,307</u>	<u>30,362,696</u>	<u>33,777,191</u>
Net Position:						
Net Investment in Capital Assets	37,778,550	37,542,626	195,813	203,364	37,974,363	37,745,990
Restricted	22,303,756	16,776,646			22,303,756	16,776,646
Unrestricted	<u>(4,395,206)</u>	<u>(5,669,086)</u>	<u>627,853</u>	<u>348,720</u>	<u>(3,767,353)</u>	<u>(5,320,366)</u>
Total Net Position	<u>\$ 55,687,100</u>	<u>\$ 48,650,186</u>	<u>\$ 823,666</u>	<u>\$ 552,084</u>	<u>\$ 56,510,766</u>	<u>\$ 49,202,270</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Changes in Net Position
For the Fiscal Years Ended June 30, 2022 and 2021

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues						
Charges for Services	\$ 525,761	\$ 244,485	\$ 229,010	\$ 29,888	\$ 754,771	\$ 274,373
Grants and Contributions	17,507,746	22,948,564	1,384,229	597,898	18,891,975	23,546,462
General Revenues						
Property Taxes	56,774,193	56,781,326			56,774,193	56,781,326
State and Federal Aid	286,198	278,225			286,198	278,225
Other	169,084	221,093	330	105	169,414	221,198
Total Revenues	<u>75,262,982</u>	<u>80,473,693</u>	<u>1,613,569</u>	<u>627,891</u>	<u>76,876,551</u>	<u>81,101,584</u>
Expenses						
Instruction						
Regular	27,091,636	31,277,974			27,091,636	31,277,974
Special Education	10,232,627	11,059,941			10,232,627	11,059,941
Other Instruction	2,046,558	1,184,909			2,046,558	1,184,909
School Sponsored Activities and Athletics	1,661,820	1,602,605			1,661,820	1,602,605
Support Services						
Student and Instruction Related Serv.	11,661,879	12,277,358			11,661,879	12,277,358
General Administrative Services	1,534,012	1,912,649			1,534,012	1,912,649
School Administrative Services	3,743,244	4,371,881			3,743,244	4,371,881
Plant Operations and Maintenance	7,139,127	5,307,157			7,139,127	5,307,157
Pupil Transportation	1,258,687	1,101,618			1,258,687	1,101,618
Business and Other Support Services	1,209,080	1,271,861			1,209,080	1,271,861
Interest on Long-Term Debt	647,398	514,781			647,398	514,781
Food Services			1,324,657	576,427	1,324,657	576,427
Other	-	-	17,330	15,942	17,330	15,942
Total Expenses	<u>68,226,068</u>	<u>71,882,734</u>	<u>1,341,987</u>	<u>592,369</u>	<u>69,568,055</u>	<u>72,475,103</u>
Change in Net Position	<u>\$ 7,036,914</u>	<u>\$ 8,590,959</u>	<u>\$ 271,582</u>	<u>\$ 35,522</u>	<u>\$ 7,308,496</u>	<u>\$ 8,626,481</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

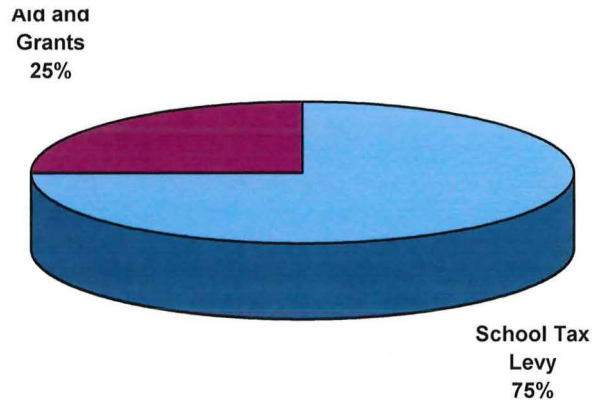
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$75,262,982 for the year ended June 30, 2022, a decrease of \$5,210,711 from the previous year. Property taxes of \$56,774,193 represented 81% of revenues. Another significant portion of revenues came from State and Federal aid; total State, Federal and local aid was \$17,594,543. Another source of revenues is miscellaneous income which includes items such as interest earnings, prior year refunds, etc.

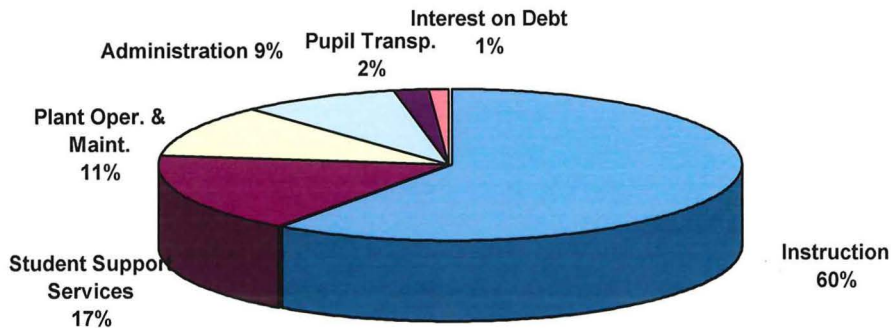
The total cost of all governmental activities programs and services was \$68,226,068. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$41,032,641, or 60%, of total expenditures. Student support services, exclusive of interest on debt, total \$26,546,029, or 39%, of total expenditures.

Total governmental activities revenues surpassed expenses, increasing net position \$7,036,914 over the previous year.

Revenues by Source- Governmental Activities
For Fiscal Year 2022



Expenditures by Type- Governmental Activities
For Fiscal Year 2022



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Total and Net Cost of Governmental Activities. The District's total cost of services was \$68,226,068. After applying program revenues derived from: grants and contributions of \$17,507,746 and charges for services of \$525,761 the net cost of services of the District is \$50,192,561.

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction				
Regular	\$ 27,091,636	\$ 31,277,974	\$ 20,381,170	\$ 20,292,818
Special Education	10,232,627	11,059,941	4,338,149	5,188,531
Other Instruction	2,046,558	1,184,909	1,525,290	749,643
School Sponsored Activities and Athletics	1,661,820	1,602,605	1,198,367	1,332,126
Support Services				
Student and Instruction Related Svcs.	11,661,879	12,277,358	9,858,966	9,459,493
General Administrative Services	1,534,012	1,912,649	1,270,897	1,461,082
School Administrative Services	3,743,244	4,371,881	2,988,277	3,181,768
Plant Operations and Maintenance	7,139,127	5,307,157	6,278,517	4,881,231
Pupil Transportation	1,258,687	1,101,618	778,574	615,899
Business and Other Support Services	1,209,080	1,271,861	1,076,686	1,171,159
Interest on Long-Term Debt	647,398	514,781	497,668	355,935
Total	<u>\$ 68,226,068</u>	<u>\$ 71,882,734</u>	<u>\$ 50,192,561</u>	<u>\$ 48,689,685</u>

Business-Type Activities – The District's total business-type activities revenues were \$1,613,569 for the year ended June 30, 2022. Charges for services accounted for 14% of total revenues. Operating grants and contributions accounted for 86% of total revenue for the year and interest income accounted for less than 1% of total revenue.

The total cost of all business-type activities programs and services was \$1,341,987. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District, the District's summer enrichment program and the District's 1:1 Initiative program.

Total business-type activities revenues surpassed expenses, increasing net position by \$271,582 from the previous year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$30,637,646.

Revenues for the District's governmental funds were \$77,191,562, while total expenses were \$72,203,556.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 55,443,247	\$ 55,443,247	\$ -	0%
Interest	65,728	27,364	38,364	140%
Miscellaneous	301,647	438,214	(136,567)	-31%
State/Federal Sources	<u>17,377,263</u>	<u>13,549,315</u>	<u>3,827,948</u>	28%
Total General Fund Revenues	<u>\$ 73,187,885</u>	<u>\$ 69,458,140</u>	<u>\$ 3,729,745</u>	<u>5%</u>

Total General Fund Revenues increased by \$3,729,745, or 5%, from the previous year.

State/federal revenues increased \$3,827,948, or 28%. The increase in state aid is related to an increase in TPAF On-Behalf Pension Contributions made by the State of New Jersey on behalf of the District, as well as additional federal funding for COVID-19 related expenses.

Local property taxes were level from the previous year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase <u>(Decrease)</u>	Percent Change
Instruction	\$ 41,964,635	\$ 38,679,212	\$ 3,285,423	8%
Support Services	25,010,100	23,211,312	1,798,788	8%
Capital Outlay	<u>1,035,712</u>	<u>569,438</u>	<u>466,274</u>	82%
Total Expenditures	<u>\$ 68,010,447</u>	<u>\$ 62,459,962</u>	<u>\$ 5,550,485</u>	<u>9%</u>

Total General Fund expenditures increased \$5,550,485, or 9%, from the previous year.

In 2021-2022 General Fund revenues exceeded expenditures by \$5,177,438. As a result, total fund balance increased to \$28,644,632 at June 30, 2022. After deducting statutory restrictions, commitments and designations, the unassigned fund balance increased from \$1,966,343 at June 30, 2021 to \$2,023,591 at June 30, 2022.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students.

Revenues of the Special Revenue Fund were \$2,074,737 for the year ended June 30, 2022. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 64% of the total revenue for the year. State sources accounted for 18% and the balance of revenues of 18% were from local grants, student activities and scholarships..

Expenditures of the Special Revenue Fund were \$2,093,612. Instructional expenditures were \$1,617,425, or 77%, expenditures for support services were \$438,852, or 21%, and capital outlay expenditures were \$37,335, or 2%, of total expenditures for the year ended June 30, 2022.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Proprietary Funds

The District maintains Enterprise Funds to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program, the Summer Enrichment program and the Districts 1-1 initiative program. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for:

- Implementing budgets for specially funded projects, which include both federal and state grants, appropriating capital reserve funds and reinstating prior year purchase orders.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2022 amounts to \$53,057,393 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2021-2022 amounted to \$1,897,903 for governmental activities and \$24,331 for business-type activities.

**Capital Assets at June 30, 2022 and 2021
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Building and Building Improvements	\$ 49,499,298	\$ 50,014,265			\$ 49,499,298	\$ 50,014,265
Machinery and Equipment	2,672,649	2,704,827	\$ 195,813	\$ 203,364	2,868,462	2,908,191
Construction In Progress	<u>689,633</u>	<u>634,722</u>	<u>-</u>	<u>-</u>	<u>689,633</u>	<u>634,722</u>
Total Capital Assets, Net	<u>\$ 52,861,580</u>	<u>\$ 53,353,814</u>	<u>\$ 195,813</u>	<u>\$ 203,364</u>	<u>\$ 53,057,393</u>	<u>\$ 53,557,178</u>

Additional information on the District's capital assets are presented in the "Notes to the Financial Statements" of this report.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$1,751,273, net pension liability of \$6,344,865 and bonds payable of \$16,306,115.

Additional information of the District's long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Currently, the District is in good financial condition. Everyone associated with Westwood Regional School District is grateful for the community support.

Many factors were considered by the District's administration during the process of developing the fiscal year 2022-2023 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Westwood Regional School District, 701 Ridgewood Road, Washington Township, NJ 07676.

BASIC FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 31,227,629	\$ 472,247	\$ 31,699,876
Receivables, net	1,019,230	274,727	1,293,957
Inventories		9,525	9,525
Capital Assets Not Being Depreciated	689,633		689,633
Capital Assets, Net of Accumulated Depreciation	52,171,947	195,813	52,367,760
	<u>85,108,439</u>	<u>952,312</u>	<u>86,060,751</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding of Debt	356,183		356,183
Deferred Amount on Net Pension Liability	456,528	-	456,528
	<u>812,711</u>	<u>-</u>	<u>812,711</u>
Total Deferred Outflows of Resources	<u>812,711</u>	<u>-</u>	<u>812,711</u>
Total Assets and Deferred Outflows of Resources	<u>85,921,150</u>	<u>952,312</u>	<u>86,873,462</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	973,496	71,738	1,045,234
Intergovernmental Payable	175,477		175,477
Unearned Revenue	460,240	56,908	517,148
Accrued Interest Payable	186,427		186,427
Noncurrent Liabilities			
Due Within One Year	1,240,000		1,240,000
Due Beyond One Year	23,162,253		23,162,253
	<u>26,197,893</u>	<u>128,646</u>	<u>26,326,539</u>
Total Liabilities	<u>26,197,893</u>	<u>128,646</u>	<u>26,326,539</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	4,036,157	-	4,036,157
	<u>4,036,157</u>	<u>-</u>	<u>4,036,157</u>
Total Deferred Inflows of Resources	<u>4,036,157</u>	<u>-</u>	<u>4,036,157</u>
Total Liabilities and Deferred Inflows of Resources	<u>30,234,050</u>	<u>128,646</u>	<u>30,362,696</u>
NET POSITION			
Net Investment in Capital Assets	37,778,550	195,813	37,974,363
Restricted for:			
Capital Projects	18,628,116		18,628,116
Maintenance	2,500,000		2,500,000
Debt Service	98,884		98,884
Other Purposes	1,076,756		1,076,756
Unrestricted	(4,395,206)	627,853	(3,767,353)
	<u>\$ 55,687,100</u>	<u>\$ 823,666</u>	<u>\$ 56,510,766</u>
Total Net Position	<u>\$ 55,687,100</u>	<u>\$ 823,666</u>	<u>\$ 56,510,766</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 27,091,636	\$ 172,823	\$ 6,537,643		\$ (20,381,170)		\$ (20,381,170)
Special Education	10,232,627		5,894,478		(4,338,149)		(4,338,149)
Other Instruction	2,046,558		521,268		(1,525,290)		(1,525,290)
School Sponsored Activities and Athletics	1,661,820	327,470	135,983		(1,198,367)		(1,198,367)
Support Services							
Student and Instruction Related Svcs.	11,661,879		1,802,913		(9,858,966)		(9,858,966)
General Administrative Services	1,534,012		263,115		(1,270,897)		(1,270,897)
School Administrative Services	3,743,244		754,967		(2,988,277)		(2,988,277)
Plant Operations and Maintenance	7,139,127	25,468	635,741	\$ 199,401	(6,278,517)		(6,278,517)
Pupil Transportation	1,258,687		480,113		(778,574)		(778,574)
Business Services	1,209,080		132,394		(1,076,686)		(1,076,686)
Interest on Long-Term Debt	647,398		149,730		(497,668)		(497,668)
Total Governmental Activities	68,226,068	525,761	17,308,345	199,401	(50,192,561)	-	(50,192,561)
Business-Type Activities							
Food Service	1,324,657	210,801	1,384,229			\$ 270,373	270,373
Other	17,330	18,209	-	-		879	879
Total Business-Type Activities	1,341,987	229,010	1,384,229	-	-	271,252	271,252
Total Primary Government	\$ 69,568,055	\$ 754,771	\$ 18,692,574	\$ 199,401	(50,192,561)	271,252	(49,921,309)
General Revenues:							
Property Taxes, Levied for General Purposes					55,443,247		55,443,247
Property Taxes, Levied for Debt Service					1,330,946		1,330,946
State Aid Restricted for Debt Service Principal					286,198		286,198
Investment Earnings					65,728	330	66,058
Miscellaneous Income					103,356		103,356
Total General Revenues					57,229,475	330	57,229,805
Change in Net Position					7,036,914	271,582	7,308,496
Net Position, Beginning of Year					48,650,186	552,084	49,202,270
Net Position, End of Year					\$ 55,687,100	\$ 823,666	\$ 56,510,766

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

FUND FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 AS OF JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash	\$ 29,428,357	\$ 228,756	\$ 1,471,632	\$ 98,884	\$ 31,227,629
Receivables, Net					
Receivables From Other Governments	131,393	791,785			923,178
Other Receivables	91,132	4,920			96,052
Due from Other Funds	135	-	-	-	135
Total Assets	<u>\$ 29,651,017</u>	<u>\$ 1,025,461</u>	<u>\$ 1,471,632</u>	<u>\$ 98,884</u>	<u>\$ 32,246,994</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 517,781	\$ 84,042			\$ 601,823
Due to Other Funds		135			135
Intergovernmental Payables	116,931	58,546			175,477
Payroll Deductions and Withholdings Payable	371,673				371,673
Unearned Revenue		460,240	-	-	460,240
Total Liabilities	<u>1,006,385</u>	<u>602,963</u>	<u>-</u>	<u>-</u>	<u>1,609,348</u>
Fund Balances					
Restricted Fund Balance:					
Capital Reserve	14,580,284				14,580,284
Capital Reserve-Designated for Subsequent Year's Expenditures	3,443,102				3,443,102
Maintenance Reserve	2,500,000				2,500,000
Emergency Reserve	394,195				394,195
Unemployment Compensation Reserve	654,258				654,258
Excess Surplus-Designated for Subsequent Year's Expenditures	1,000,000				1,000,000
Excess Surplus	1,500,000				1,500,000
Scholarship Awards		171,504			171,504
Student Activities and Athletics		250,994			250,994
Capital Projects			\$ 1,471,632		1,471,632
Debt Service				\$ 98,884	98,884
Committed Fund Balance					
Year-End Encumbrances	905,350				905,350
Assigned Fund Balance					
Designated for Subsequent Year's Expenditures	1,090,876				1,090,876
Year-End Encumbrances	552,976				552,976
Unassigned Fund Balance	<u>2,023,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,023,591</u>
Total Fund Balances	<u>28,644,632</u>	<u>422,498</u>	<u>1,471,632</u>	<u>98,884</u>	<u>30,637,646</u>
Total Liabilities and Fund Balances	<u>\$ 29,651,017</u>	<u>\$ 1,025,461</u>	<u>\$ 1,471,632</u>	<u>\$ 98,884</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$79,602,781 and the accumulated depreciation is \$26,741,201.	52,861,580
The District has financed capital assets through the issuance of general obligation bonds. The accrued interest at year end is:	(186,427)
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.	
Serial Bonds Payable	\$ (16,306,115)
Net Pension Liability	(6,344,865)
Add: Deferred Outflows of Resources	812,711
Less: Deferred Inflows of Resources	(4,036,157)
Compensated Absences Payable	<u>(1,751,273)</u>
	<u>(27,625,699)</u>

Net Position of Governmental Activities (Exhibit A-1) \$ 55,687,100

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 55,443,247			\$ 1,330,946	\$ 56,774,193
Tuition	172,823				172,823
Rentals	25,468				25,468
Interest	65,728				65,728
Miscellaneous	103,356	\$ 376,016	-	-	479,372
Total - Local Sources	55,810,622	376,016		1,330,946	57,517,584
State Sources	17,373,459	374,314	\$ 162,066	435,928	18,345,767
Federal Sources	3,804	1,324,407	-	-	1,328,211
Total Revenues	73,187,885	2,074,737	162,066	1,766,874	77,191,562
EXPENDITURES					
Current					
Instruction					
Regular Instruction	28,783,829	259,634			29,043,463
Special Education Instruction	9,737,904	983,450			10,721,354
Other Instruction	2,126,579	42,625			2,169,204
School Sponsored Activities and Athletics	1,316,323	331,716			1,648,039
Support Services					
Student and Instruction Related Services	11,715,553	289,003			12,004,556
General Administrative Services	1,563,445				1,563,445
School Administrative Services	3,962,964				3,962,964
Central Services	1,190,915	28,910			1,219,825
Plant Operations and Maintenance	5,341,111	120,939			5,462,050
Pupil Transportation	1,236,112				1,236,112
Debt Service					
Principal				1,160,000	1,160,000
Interest and Other Charges				606,875	606,875
Capital Outlay	1,035,712	37,335	332,622	-	1,405,669
Total Expenditures	68,010,447	2,093,612	332,622	1,766,875	72,203,556
Excess (Deficiency) of Revenues Over/(Under) Expenditures	5,177,438	(18,875)	(170,556)	(1)	4,988,006
OTHER FINANCING SOURCES (USES)					
Transfers In			-	98,884	98,884
Transfers Out	-		(98,884)	-	(98,884)
Total Other Financing Sources (Uses)	-	-	(98,884)	98,884	-
Net Change in Fund Balances	5,177,438	(18,875)	(269,440)	98,883	4,988,006
Fund Balance, Beginning of Year	23,467,194	441,373	1,741,072	1	25,649,640
Fund Balance, End of Year	\$ 28,644,632	\$ 422,498	\$ 1,471,632	\$ 98,884	\$ 30,637,646

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 4,988,006

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Capital Outlays	\$ 1,405,669	
Depreciation Expense	<u>(1,897,903)</u>	(492,234)

In the statement of activities, certain operating expenses are measured by the amounts during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Decrease in Net Pension Liability	1,372,158	
Amortization of Original Issue Premium	82,824	
Amortization of Deferred Amount on Refunding	(138,071)	
Net Decrease in Compensated Absences Payable	<u>49,507</u>	1,366,418

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt and related items.

Bond Principal Repayments		1,160,000
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>14,724</u>
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Change in Net Position of Governmental Activities (Exhibit A-2) **\$ 7,036,914**

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 378,806	\$ 93,441	\$ 472,247
Intergovernmental Accounts Receivable	271,082		271,082
Accounts Receivable	3,645		3,645
Inventories	9,525	-	9,525
Total Current Assets	<u>663,058</u>	<u>93,441</u>	<u>756,499</u>
Capital Assets			
Furniture, Machinery and Equipment	405,899		405,899
Less Accumulated Depreciation	<u>(210,086)</u>	<u>-</u>	<u>(210,086)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>195,813</u>	<u>-</u>	<u>195,813</u>
Total Assets	<u>858,871</u>	<u>93,441</u>	<u>952,312</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	71,423	315	71,738
Unearned Revenue	<u>27,371</u>	<u>29,537</u>	<u>56,908</u>
Total Liabilities	<u>98,794</u>	<u>29,852</u>	<u>128,646</u>
NET POSITION			
Investment in Capital Assets	195,813		195,813
Unrestricted	<u>564,264</u>	<u>63,589</u>	<u>627,853</u>
Total Net Position	<u>\$ 760,077</u>	<u>\$ 63,589</u>	<u>\$ 823,666</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
Operating Revenues			
Charges for Services			
Daily Sales - Non-Reimbursable Programs	\$ 206,869		\$ 206,869
Miscellaneous	3,932		3,932
Program Fees		\$ 18,209	18,209
	<u>210,801</u>	<u>18,209</u>	<u>229,010</u>
Total Operating Revenues			
Operating Expenses			
Cost of Sales - Reimbursable Programs	535,090		535,090
Cost of Sales - Non-Reimbursable Programs	82,606		82,606
Cost of Sales - USDA Commodities	44,206		44,206
Salaries and Wages	386,979		386,979
Employee Benefits	30,816		30,816
Management Fee	52,942		52,942
Repairs and Maintenance	19,012		19,012
Purchased Professional Services	46,176		46,176
Supplies and Materials	88,784	17,330	106,114
Miscellaneous	13,715	-	13,715
Depreciation	24,331		24,331
	<u>1,324,657</u>	<u>17,330</u>	<u>1,341,987</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(1,113,856)</u>	<u>879</u>	<u>(1,112,977)</u>
Nonoperating Revenues			
State Sources			
State School Lunch Program	29,988		29,988
Federal Sources			
School Breakfast Program	16,960		16,960
National School Lunch Program	1,293,075		1,293,075
USDA Commodities	44,206		44,206
Interest and Investment Revenue	268	62	330
	<u>1,384,497</u>	<u>62</u>	<u>1,384,559</u>
Total Nonoperating Revenues			
Change in Net Position	270,641	941	271,582
Net Position, Beginning of Year	<u>489,436</u>	<u>62,648</u>	<u>552,084</u>
Net Position, End of Year	<u>\$ 760,077</u>	<u>\$ 63,589</u>	<u>\$ 823,666</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 193,198	\$ 47,746	\$ 240,944
Payments for Employees	(417,795)	-	(417,795)
Payments to Suppliers/Refunds	(819,122)	(18,455)	(837,577)
Net Cash Provided (Used) by Operating Activities	(1,043,719)	29,291	(1,014,428)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Receipts from State and Federal Sources	1,186,694	-	1,186,694
Net Cash Provided By Non-Capital Financing Activities	1,186,694	-	1,186,694
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(16,780)	-	(16,780)
Net Cash (Used) by Capital and Related Financing Activities	(16,780)	-	(16,780)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	268	62	330
Net Cash Provided By Investing Activities	268	62	330
Net Increase in Cash and Cash Equivalents	126,463	29,353	155,816
Cash and Cash Equivalents—Beginning of Year	252,343	64,088	316,431
Cash and Cash Equivalents—End of Year	\$ 378,806	\$ 93,441	\$ 472,247
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,113,856)	\$ 879	\$ (1,112,977)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	24,331		24,331
Food Distribution Program (USDA Commodities) National School Lunch Program	44,206		44,206
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase) Decrease in Accounts Receivable	(1,993)		(1,993)
(Increase) Decrease in Inventories	(334)		(334)
Increase (Decrease) in Accounts Payable	19,537	(1,125)	18,412
Increase (Decrease) in Unearned Revenue	(15,610)	29,537	13,927
Total Adjustments	70,137	28,412	98,549
Net Cash Provided (Used) by Operating Activities	\$ (1,043,719)	\$ 29,291	\$ (1,014,428)
Non Cash Investing, Capital and Financing Activities			
Fair Value of Food Distribution Program- National School Lunch Program	\$ 44,206		\$ 44,206

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

NOTES TO THE FINANCIAL STATEMENTS

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Westwood Regional School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions 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 currently operates a Pre-Kindergarten through grade twelve (12) regional school district.

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. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Westwood Regional School District this includes general operations, food service, summer enrichment and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

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

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. The District does not currently have any fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental funds and the food service enterprise fund to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The District also reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *summer enrichment fund* accounts for the activities of the District's summer enrichment program.

The *1 to 1 initiative (laptop insurance program) fund* accounts for the non-refundable deposits charged to students to repair and replenish the District's laptop computers provided to students as part of the 1 to 1 technology initiative program.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements and leases payable for intangible right-to-use leased assets are reported as other financing sources.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

4. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Building Improvements	20-50
Furniture, Fixtures and Equipment	5-20

5. 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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type of item which arises only under the accrual basis of accounting that qualify for reporting in this category. The item that qualifies for reporting in this category is the deferred amount on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years.

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused vacation and sick leave benefits. A long-term liability of accumulated vacation, sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated vacation, sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

7. Pensions

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

8. Financing Agreements

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

9. Long-Term Obligations

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2B).

Capital Reserve - Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Maintenance Reserve – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2C).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2D).

Unemployment Compensation Reserve – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2021 audited excess surplus that was appropriated in the 2022/2023 original budget certified for taxes.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that is required to be appropriated in the 2023/2024 original budget certified for taxes.

Scholarship Awards – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

Student Activities and Athletics – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2020/2021 and 2021-2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service and other enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$4,194,283. The increase was funded by the additional appropriation of capital reserve, grant awards and the reappropriation of prior year general fund encumbrances.

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 certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the reserve 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 fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 12,984,267
Increased by:		
Interest Earnings	\$ 24,043	
Unexpended Withdrawals Returned	605,070	
Deposits Approved by Board Resolution	<u>5,605,186</u>	
Total Increases		<u>6,234,299</u>
		19,218,566
Decreased by:		
Withdrawals Approved in District Budget	(1,117,162)	
Withdrawals Approved by Board Resolution	<u>(78,018)</u>	
		<u>(1,195,180)</u>
Balance, June 30, 2022		<u>\$ 18,023,386</u>

The June 30, 2022 LRFP balance of local support costs of uncompleted projects is \$56,044,260. \$3,443,102 of the capital reserve balance at June 30, 2022 was designated and appropriated for use in the 2022/2023 original budget certified for taxes.

C. Maintenance Reserve

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

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district’s school facilities for the current year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Maintenance Reserve (Continued)

The activity of the maintenance reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021	\$ 2,250,000
Increased by	
Deposits Approved by Board Resolution	<u>250,000</u>
Balance, June 30, 2022	<u>\$ 2,500,000</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,642,291.

D. Emergency Reserve

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

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021	<u>\$ 394,195</u>
Balance, June 30, 2022	<u>\$ 394,195</u>

E. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for 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 restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2022 is \$2,500,000. Of this amount, \$1,000,000 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$1,500,000 is required to be appropriated in the 2023/2024 original budget certified for taxes.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2021, the book value of the Board's deposits were \$31,699,876 and bank and brokerage firm balances of the Board's deposits amounted to \$33,419,237. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

Depository Account

Insured	\$ 32,696,302
Uninsured and Collateralized	<u>722,935</u>
	<u>\$ 33,419,237</u>

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 Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board's bank balance of \$722,935 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department not in the Board's name	<u>\$ 722,935</u>

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2022, the Board had no outstanding investments.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2022 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts	\$ 91,132	\$ 4,920	\$ 3,645	\$ 99,697
Intergovernmental				
Federal		791,227	265,657	1,056,884
State	<u>131,393</u>	<u>558</u>	<u>5,425</u>	<u>137,376</u>
Gross Receivables	222,525	796,705	274,727	1,293,957
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 222,525</u>	<u>\$ 796,705</u>	<u>\$ 274,727</u>	<u>\$ 1,293,957</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Grant Draw downs Reserved for Encumbrances	\$ 432,499
Unencumbered Grant Draw Downs	<u>27,741</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 460,240</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ 634,722	\$ 54,911	-	\$ 689,633
Total Capital Assets, Not Being Depreciated	<u>634,722</u>	<u>54,911</u>	<u>-</u>	<u>689,633</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	71,381,144	920,404		72,301,548
Machinery and Equipment	<u>6,324,406</u>	<u>430,354</u>	\$ (143,160)	<u>6,611,600</u>
Total Capital Assets Being Depreciated	<u>77,705,550</u>	<u>1,350,758</u>	<u>(143,160)</u>	<u>78,913,148</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(21,366,879)	(1,435,371)		(22,802,250)
Machinery and Equipment	<u>(3,619,579)</u>	<u>(462,532)</u>	143,160	<u>(3,938,951)</u>
Total Accumulated Depreciation	<u>(24,986,458)</u>	<u>(1,897,903)</u>	<u>143,160</u>	<u>(26,741,201)</u>
Total Capital Assets, Being Depreciated, Net	<u>52,719,092</u>	<u>(547,145)</u>	<u>-</u>	<u>52,171,947</u>
Governmental Activities Capital Assets, Net	<u>\$ 53,353,814</u>	<u>\$ (492,234)</u>	<u>\$ -</u>	<u>\$ 52,861,580</u>
Business-Type Activities:				
Capital Assets, being depreciated:				
Machinery and Equipment	\$ 391,164	\$ 16,780	\$ (2,045)	\$ 405,899
Total Capital Assets being depreciated	<u>391,164</u>	<u>16,780</u>	<u>(2,045)</u>	<u>405,899</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(187,800)	(24,331)	2,045	(210,086)
Total Accumulated Depreciation	<u>(187,800)</u>	<u>(24,331)</u>	<u>2,045</u>	<u>(210,086)</u>
Total Capital Assets, being depreciated, net	<u>203,364</u>	<u>(7,551)</u>	<u>-</u>	<u>195,813</u>
Business-Type Activities Capital Assets, net	<u>\$ 203,364</u>	<u>\$ (7,551)</u>	<u>\$ -</u>	<u>\$ 195,813</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:	
Instruction	
Regular Instruction	\$ 26,196
Special Education Instruction	6,059
Other Instruction	24,766
School Sponsored Co-Curricular Activities	<u>37,986</u>
Total Instruction	<u>95,007</u>
Support Services	
Student and Instruction Related Services	11,863
General Administrative Services	60,978
School Administrative Services	2,364
Plant Operations and Maintenance	1,702,890
Pupil Transportation	<u>24,801</u>
Total Support Services	<u>1,802,896</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,897,903</u>
Business-Type Activities:	
Food Service Fund	<u>\$ 24,331</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 24,331</u>

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2022:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Middle School Construction	\$ 19,642,818	\$ 235,244
Roof Replacement Project at Jessie F. George Elementary School		411,000
Washington Elementary School Electric Service Replacement Project		362,000

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 135
		<u>\$ 135</u>

The above balance is the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

The District expects all interfund balances to be liquidated within one year.

Interfund transfers

	<u>Transfer In:</u>	
	<u>Service Fund</u>	<u>Total</u>
Transfer Out:		
Capital Projects Fund	<u>\$ 98,884</u>	<u>\$ 98,884</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2022 are comprised of the following issues:

\$11,125,000, 2015 Refunding Bonds, due in annual installments of \$820,000 to \$1,150,000 through August 1, 2030, interest at 4.00% to 5.00%	\$8,765,000
\$7,751,000, 2018 School Bonds, due in annual installments of \$400,000 through September 15, 2038, interest at 3.00% to 3.25%	<u>6,800,000</u>
Total	<u>\$15,565,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ended June 30,	<u>General Obligation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 1,220,000	\$ 563,150	\$ 1,783,150
2024	1,260,000	517,550	1,777,550
2025	1,295,000	470,450	1,765,450
2026	1,330,000	421,950	1,751,950
2027	1,365,000	371,800	1,736,800
2028-2032	6,295,000	1,024,675	7,319,675
2033-2037	2,000,000	290,250	2,290,250
2038-2039	<u>800,000</u>	<u>26,000</u>	<u>826,000</u>
Total	<u>\$ 15,565,000</u>	<u>\$ 3,685,825</u>	<u>\$ 19,250,825</u>

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2022 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 161,684,088
Less: Net Debt Issued and Authorized but Not Issued	<u>15,565,520</u>
Remaining Borrowing Power	<u>\$ 146,118,568</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance, July 1, 2021	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2022	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 16,725,000		\$ 1,160,000	\$ 15,565,000	\$ 1,220,000
Unamortized Premium	823,939	-	82,824	741,115	-
Total Bonds Payable	17,548,939		1,242,824	16,306,115	1,220,000
Compensated Absences	1,800,780	\$ 63,849	113,356	1,751,273	20,000
Net Pension Liability	8,698,960	-	2,354,095	6,344,865	-
Governmental Activities Long-Term Liabilities	<u>\$ 28,048,679</u>	<u>\$ 63,849</u>	<u>\$ 3,710,275</u>	<u>\$ 24,402,253</u>	<u>\$ 1,240,000</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

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

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, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended June 30,	District Contributions	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2022	\$ 50,000	\$ 53,977	\$ 1,585	\$ 757	\$ 654,258
2021	50,000	48,522	702	83,602	603,430
2020	50,000	49,244	7,332	99,187	587,808

B. Contingent Liabilities

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

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2022, the District has not estimated its arbitrage earnings due to the IRS, if any.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 ten years of service credit and have not reached the service retirement age for the respective tier.

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pensions and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the July 1, 2020 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2022.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2022, 2021 and 2020 were equal to the required contributions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Annual Pension Costs (APC) (Continued)

During the fiscal years ended June 30, 2022, 2021 and 2020 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 627,238	\$ 9,379,910	\$ 46,370
2021	586,090	6,699,159	36,891
2020	509,082	5,114,423	56,369

In addition, for fiscal years 2022, 2021 and 2020 the District contributed \$-0-, \$-0- and \$4,465, respectively for PERS and the State contributed \$3,984, \$4,326 and \$5,358, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,894,594 during the fiscal 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 recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$6,344,865 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .05355 percent, which was an increase of .00021 percent from its proportionate share measured as of June 30, 2020 of .05334 percent.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$744,920 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 100,067	\$ 45,422
Changes of Assumptions	33,044	2,258,813
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		1,671,404
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>323,417</u>	<u>60,518</u>
Total	<u>\$ 456,528</u>	<u>\$ 4,036,157</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2022, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (1,349,367)
2024	(1,008,674)
2025	(690,947)
2026	(531,953)
2027	1,312
Thereafter	<u>-</u>
	<u>\$ (3,579,629)</u>

Actuarial Assumptions

The District's 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.

<u>PERS</u>	
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% Based on Years of Service
Investment Rate of Return	7.00%

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Mortality Rates

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the 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>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The discount rate used to measure the total pension liability for PERS 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 in determining the total pension liability.

Sensitivity of Net Pension Liability

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>8,640,419</u>	\$ <u>6,344,865</u>	\$ <u>4,396,762</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District's net pension liability at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2021, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,558,344 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$108,724,887. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .22615 percent, which was a decrease of .00291 percent from its proportionate share measured as of June 30, 2020 of .22906 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55%
	Based on Years of Service
Thereafter	2.75%-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension 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% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the 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>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

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

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 7.00%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 128,639,702</u>	<u>\$ 108,724,887</u>	<u>\$ 91,997,693</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2021. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

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

The 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 above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2020 which were rolled forward to June 30, 2021.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2020 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$2,191,526, \$2,099,412 and \$1,897,357, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$7,084,512. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the OPEB liability attributable to the District is \$101,326,998. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state's share of the OPEB liability attributable to the District was .16885 percent, which was an increase of .00023 percent from its proportionate share measured as of June 30, 2020 of .16862 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Actuarial Assumptions

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 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	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disables retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

100% of active members are considered to participate in the plan upon retirement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Health Care Trend Assumptions

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

Discount Rate

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2020 Measurement Date	\$ <u>114,339,094</u>
Changes Recognized for the Fiscal Year:	
Service Cost	6,181,587
Interest on the Total OPEB Liability	2,628,529
Changes in Benefit Terms	(107,850)
Differences Between Expected and Actual Experience	(19,810,983)
Changes of Assumptions	99,967
Gross Benefit Payments	(2,070,545)
Contributions from the Member	67,199
Net Changes	<u>\$ (13,012,096)</u>
Balance, June 30, 2021 Measurement Date	\$ <u>101,326,998</u>

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

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.16%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 121,373,837	\$ 101,326,998	\$ 85,541,316

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 82,024,534	\$ 101,326,998	\$ 127,248,781

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

F. Tax Abatements

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

For Westwood Regional School District, the District's share of abated taxes resulting from the municipalities having entered into a tax abatement agreement is indeterminate.

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "Pandemic") by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS (Continued)

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$2,536,353 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION PART II

BUDGETARY COMPARISON SCHEDULES

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
Property Taxes	\$ 55,443,247		\$ 55,443,247	\$ 55,443,247	
Tuition	50,000		50,000	172,823	\$ 122,823
Rents and Royalties	21,000		21,000	25,468	4,468
Interest on Investments				40,100	40,100
Interest on Capital Reserve	10,000		10,000	24,043	14,043
Interest on Unemployment Reserve				1,585	1,585
Unrestricted Miscellaneous Revenue	86,289	-	86,289	103,356	17,067
Total Local Sources	55,610,536	-	55,610,536	55,810,622	200,086
State Sources					
Special Education Aid	2,230,202		2,230,202	2,230,202	
Transportation Aid	422,522		422,522	422,522	
Security Aid	55,037		55,037	55,037	
Extraordinary Aid				1,174,223	1,174,223
Additional Nonpublic Transportation Aid				39,298	39,298
Security Grant - Alyssa's Law				155,581	155,581
TPAF Pension System Contribution (Normal Costs) (Non-Budgeted)				9,249,414	9,249,414
TPAF Pension System Contribution (NCGI) (Non-Budgeted)				130,496	130,496
TPAF Pension System Contribution (Post- Retirement Medical Contribution) (Non-Budgeted)				2,191,526	2,191,526
TPAF Pension System Contribution (LTDI) (Non-Budgeted)				3,984	3,984
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	1,894,594	1,894,594
Total State Sources	2,707,761	-	2,707,761	17,546,877	14,839,116
Federal Sources					
Medicaid Reimbursement	4,900	-	4,900	3,804	(1,096)
Total Federal Sources	4,900	-	4,900	3,804	(1,096)
Total Revenues	58,323,197	-	58,323,197	73,361,303	15,038,106
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	884,818	\$ 186,044	1,070,862	1,016,445	54,417
Grades 1-5	5,741,450	(186,934)	5,554,516	5,282,439	272,077
Grades 6-8	3,793,182	27,450	3,820,632	3,820,632	
Grades 9-12	5,685,546	49,244	5,734,790	5,734,789	1
Regular Programs - Home Instruction					
Salaries of Teachers	50,000	22,698	72,698	72,697	1
Purchased Professional/Educational Services	21,500	(11,360)	10,140	675	9,465
Regular Programs - Undistributed Instruction					
Purchased Professional/Educational Services	11,800	19,975	31,775	23,274	8,501
Purchased Technical Services	2,500	(2,500)			
Other Purchased Services	188,400	(3,491)	184,909	120,772	64,137
General Supplies	337,830	116,548	454,378	412,103	42,275
Textbooks	276,500	12,145	288,645	287,604	1,041
Other Objects	13,000	(2,401)	10,599	9,327	1,272
Total Regular Programs	17,006,526	227,418	17,233,944	16,780,757	453,187
Learning and/or Language Disabilities					
Salaries of Teachers	315,047	77,314	392,361	392,361	
Other Salaries for Instruction	214,456	(15,999)	198,457	198,457	
Purchased Professional/Educational Services	20,000		20,000	110	19,890
General Supplies	37,600	(6,005)	31,595	10,508	21,087
Other Objects	500	-	500	-	500
Total Learning and/or Language Disabilities	587,603	55,310	642,913	601,436	41,477

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Behavioral Disabilities					
Salaries of Teachers	\$ 217,742	\$ (75,457)	\$ 142,285	\$ 142,285	
Purchased Professional/Educational Services	8,000	99,000	107,000	99,000	\$ 8,000
General Supplies	8,750	-	8,750	126	8,624
Total Behavioral Disabilities	<u>234,492</u>	<u>23,543</u>	<u>258,035</u>	<u>241,411</u>	<u>16,624</u>
Resource Room/Resource Center					
Salaries of Teachers	3,062,022	(161,011)	2,901,011	2,901,010	1
Purchased Professional Educational Services	20,000	90	20,090	7,273	12,817
General Supplies	29,000	-	29,000	3,582	25,418
Total Resource Room/Resource Center	<u>3,111,022</u>	<u>(160,921)</u>	<u>2,950,101</u>	<u>2,911,865</u>	<u>38,236</u>
Autism					
Salaries of Teachers	161,601	(2,977)	158,624	154,571	4,053
Other Salaries for Instruction	234,090	5,837	239,927	234,290	5,637
Purchased Professional Educational Services	10,000		10,000	4,200	5,800
General Supplies	20,000	(4,603)	15,397	799	14,598
Other Objects	1,000	-	1,000	-	1,000
Total Autism	<u>426,691</u>	<u>(1,743)</u>	<u>424,948</u>	<u>393,860</u>	<u>31,088</u>
Preschool Disabilities - Part-Time					
Salaries of Teachers	163,625	52,990	216,615	211,336	5,279
Other Salaries for Instruction	73,204	(18,300)	54,904	53,495	1,409
Purchased Professional Educational Services	1,700		1,700	1,700	
General Supplies	8,000	-	8,000	5,994	2,006
Total Preschool Disabilities - Part-Time	<u>246,529</u>	<u>34,690</u>	<u>281,219</u>	<u>270,825</u>	<u>10,394</u>
Preschool Disabilities - Full-Time					
Salaries of Teachers	200,808	(11,898)	188,910	188,910	
Other Salaries for Instruction	191,468	36,133	227,601	227,601	
General Supplies	10,000	(4,314)	5,686	1,739	3,947
Total Preschool Disabilities - Full-Time	<u>402,276</u>	<u>19,921</u>	<u>422,197</u>	<u>418,250</u>	<u>3,947</u>
Home Instruction					
Purchased Professional Educational Services	35,000	35,001	70,001	45,038	24,963
Total Home Instruction	<u>35,000</u>	<u>35,001</u>	<u>70,001</u>	<u>45,038</u>	<u>24,963</u>
Total Special Education	<u>5,043,613</u>	<u>5,801</u>	<u>5,049,414</u>	<u>4,882,685</u>	<u>166,729</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	643,368	232,997	876,365	869,841	6,524
Total Basic Skills/Remedial	<u>643,368</u>	<u>232,997</u>	<u>876,365</u>	<u>869,841</u>	<u>6,524</u>
Bilingual Education - Instruction					
Salaries of Teachers	329,346	23,664	353,010	344,454	8,556
Total Bilingual Education	<u>329,346</u>	<u>23,664</u>	<u>353,010</u>	<u>344,454</u>	<u>8,556</u>
School Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	203,700	(45,602)	158,098	125,340	32,758
Purchased Services	6,800	5,240	12,040	11,579	461
Supplies and Materials	13,750	(3,146)	10,604	7,106	3,498
Other Objects	1,720	(1,210)	510	510	-
Total School Sponsored Co/Extra Curricular Activities	<u>225,970</u>	<u>(44,718)</u>	<u>181,252</u>	<u>144,535</u>	<u>36,717</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Athletics - Instruction					
Salaries	\$ 707,201	\$ (87,473)	\$ 619,728	\$ 619,727	\$ 1
Purchased Services	82,845	(10,218)	72,627	65,685	6,942
Supplies and Materials	104,700	22,409	127,109	106,475	20,634
Other Objects	79,000	11,069	90,069	64,083	25,986
Total School Sponsored Athletics	973,746	(64,213)	909,533	855,970	53,563
Before/After School Programs - Instruction					
Salaries of Teacher Tutors	36,960	-	36,960	-	36,960
Total Before/After School Programs	36,960	-	36,960	-	36,960
Summer School - Instruction					
Salaries of Teachers	3,500	14,833	18,333	18,332	1
Other Salaries for Instruction	4,000	(4,000)			
General Supplies	1,000	-	1,000	765	235
Total Summer School	8,500	10,833	19,333	19,097	236
Total Instruction	24,268,029	391,782	24,659,811	23,897,339	762,472
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Special	750,900	(31,250)	719,650	515,944	203,706
Tuition to Co. Voc. School Dist. - Reg.	304,092		304,092	286,299	17,793
Tuition to Co. Voc. School Dist. - Special	65,466		65,466	63,720	1,746
Tuition to CSSD and Regional Day Schools	744,390	31,250	775,640	721,004	54,636
Tuition to Priv. Sch. for the Disabled - State	797,280		797,280	358,984	438,296
Tuition to Priv. Sch. Disabled & Other LEAs - Out State	28,000		28,000		28,000
Tuition - Other	85,000	-	85,000	1,501	83,499
Total Undistributed Expenditures - Instruction	2,775,128	-	2,775,128	1,947,452	827,676
Attendance and Social Work					
Salaries	1,600	-	1,600	563	1,037
Total Attendance and Social Work	1,600	-	1,600	563	1,037
Health Services					
Salaries	655,908	74,407	730,315	730,277	38
Purchased Professional and Technical Services	40,000	(1,830)	38,170	37,500	670
Other Purchased Services		330	330	329	1
Supplies and Materials	18,000	4,622	22,622	21,644	978
Total Health Services	713,908	77,529	791,437	789,750	1,687
Speech, OT, PT and Related Services					
Salaries	864,279	(8,621)	855,658	855,595	63
Purchased Prof. Ed. Services	266,500	33,195	299,695	214,243	85,452
Supplies and Materials	24,000	-	24,000	7,430	16,570
Total Speech, OT, PT and Related Services	1,154,779	24,574	1,179,353	1,077,268	102,085
Other Support Services - Students - Extraordinary Serv.					
Salaries	1,898,023	(98,311)	1,799,712	1,105,842	693,870
Purchased Prof. Ed. Services	1,366,760	(127,492)	1,239,268	916,117	323,151
Supplies and Materials	45,000	-	45,000	9,174	35,826
Total Other Supp.Serv. Student - Extraordinary Serv.	3,309,783	(225,803)	3,083,980	2,031,133	1,052,847

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 1,014,774	\$ 18,527	\$ 1,033,301	\$ 1,033,301	
Salaries of Secretarial & Clerical Assistants	120,436	24,852	145,288	145,288	
Purchased Professional-Educational Services	9,200	(2,125)	7,075	6,099	\$ 976
Other Purchased Services	6,000	(4,930)	1,070	1,070	
Supplies and Materials	14,260	(4,210)	10,050	9,124	926
Other Objects	350	(275)	75	75	-
Total Guidance	1,165,020	31,839	1,196,859	1,194,957	1,902
Child Study Teams					
Salaries of Other Professional Staff	920,178	85,237	1,005,415	1,004,802	613
Salaries of Secretarial & Clerical Assistants	212,714	(3,097)	209,617	208,790	827
Purchased Professional/Educational Services	225,000	1,850	226,850	21,525	205,325
Other Purchased Services	27,000		27,000	7,727	19,273
Supplies and Materials	58,300	-	58,300	10,402	47,898
Other Objects	6,850	-	6,850	262	6,588
Total Child Study Teams	1,450,042	83,990	1,534,032	1,253,508	280,524
Improvement of Instr. Services					
Salaries of Supervisors of Instruction	386,358	(48,372)	337,986	291,387	46,599
Salaries of Other Professional Staff	176,932	(8,272)	168,660	168,659	1
Other Salaries	57,524	(8,327)	49,197	49,119	78
Purchased Professional-Educational Services	161,900	(17,572)	144,328	67,898	76,430
Supplies and Materials	-	650	650	568	82
Total Other Support Services - Impvt. of Instructional Staff	782,714	(81,893)	700,821	577,631	123,190
Educational Media/School Library					
Salaries	368,529	(71,432)	297,097	297,097	
Salaries of Technology Coordinators	319,356	(13,527)	305,829	305,340	489
Purchased Professional and Technical Services	354,002	(20,192)	333,810	323,535	10,275
Other Purchased Services	10,000		10,000	2,587	7,413
Supplies and Materials	393,250	140,685	533,935	502,516	31,419
Other Objects	500	-	500	9	491
Total Educational Media/School Library	1,445,637	35,534	1,481,171	1,431,084	50,087
Instructional Staff Training Services					
Other Salaries	48,510	(19,441)	29,069	21,483	7,586
Purchased Professional-Educational Services	138,250	11,239	149,489	78,506	70,983
Other Purchased Services	105,100	(1,264)	103,836	43,991	59,845
Total Instructional Staff Training Services	291,860	(9,466)	282,394	143,980	138,414
Support Services General Administration					
Salaries	681,955	60,000	741,955	667,511	74,444
Legal Services	150,000		150,000	98,052	51,948
Audit Fees	37,800	42,363	80,163	39,863	40,300
Architectural/Engineering Services	70,000	17,985	87,985	19,286	68,699
Other Purchased Professional Services	30,000	8,456	38,456	4,860	33,596
Purchased Technical Services	26,000	13,416	39,416	39,415	1
Communications/Telephone	213,000	(2,400)	210,600	125,082	85,518
BOE Other Purchased Services	33,500	(28,500)	5,000		5,000
Miscellaneous Purchased Services	80,000		108,500	18,975	89,525
General Supplies	15,000	(4,200)	10,800	6,939	3,861
BOE In-House Training/Meeting Supplies	4,500		4,500	435	4,065
Judgments Against the School District	45,000	38,832	83,832	20,224	63,608
Miscellaneous Expenditures	20,000	(100)	19,900	12,336	7,564
BOE Membership Dues and Fees	25,000	-	25,000	20,842	4,158
Total Support Services General Administration	1,431,755	174,352	1,606,107	1,073,820	532,287

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,651,846		\$ 1,651,846	\$ 1,630,378	\$ 21,468
Salaries of Other Professional Staff	262,838	\$ 2,303	265,141	236,012	29,129
Salaries of Secretarial and Clerical Assistants	623,019	(2,303)	620,716	567,942	52,774
Other Purchased Services	60,000		60,000	27,975	32,025
Supplies and Materials	22,300	(3,964)	18,336	14,003	4,333
Other Objects	7,900	-	7,900	2,017	5,883
Total Support Services School Administration	2,627,903	(3,964)	2,623,939	2,478,327	145,612
Central Services					
Salaries	607,381	(1,100)	606,281	599,271	7,010
Purchased Professional Services	2,000	(2,000)			
Purchased Technical Services	46,000	13,801	59,801	59,438	363
Misc. Purchased Services	13,000		13,000	5,659	7,341
Supplies and Materials	15,000	(5,500)	9,500	7,926	1,574
Miscellaneous Expenditures	5,000	(1,801)	3,199	351	2,848
Total Central Services	688,381	3,400	691,781	672,645	19,136
Admin Info. Tech.					
Salaries	145,344	1,240	146,584	141,481	5,103
Purchased Professional Services	1,200	(1,200)			
Purchased Technical Services	139,433	(37,338)	102,095	102,001	94
Other Purchased Services	4,000		4,000	3,102	898
Supplies and Materials	6,000	(2,087)	3,913	3,913	-
Total Admin Info. Tech.	295,977	(39,385)	256,592	250,497	6,095
Required Maintenance for School Facilities					
Salaries	426,470	(65,715)	360,755	358,755	2,000
Cleaning, Repair & Maintenance Services	359,575	155,542	515,117	378,205	136,912
General Supplies	326,802	60,783	387,585	226,130	161,455
Total Allowable Maintenance for School Facilities	1,112,847	150,610	1,263,457	963,090	300,367
Custodial Services					
Salaries	1,413,257	68,170	1,481,427	1,473,785	7,642
Salaries of Non-Instructional Aides	292,700	1	292,701	117,744	174,957
Cleaning, Repair and Maintenance Services	162,100		162,100	126,710	35,390
Other Purchased Property Services	62,000		62,000	51,856	10,144
Insurance	415,150	444	415,594	415,593	1
Misc. Purchased Services	2,600		2,600	1,670	930
General Supplies	165,400	(160)	165,240	154,324	10,916
Energy (Natural Gas)	265,500	(14,375)	251,125	191,421	59,704
Energy (Electricity)	645,000	22,034	667,034	542,661	124,373
Energy (Gasoline)	52,000	(8,739)	43,261	30,612	12,649
Other Objects	1,000	1,240	2,240	2,240	-
Total Custodial Services	3,476,707	68,615	3,545,322	3,108,616	436,706
Care and Upkeep of Grounds					
Salaries	185,487	(2,456)	183,031	170,921	12,110
Cleaning, Repair & Maintenance Svc.	86,100	22,856	108,956	53,133	55,823
General Supplies	72,000	23,010	95,010	75,575	19,435
Total Care and Upkeep of Grounds	343,587	43,410	386,997	299,629	87,368
Security					
Salaries	76,029		76,029	59,108	16,921
Purchased Professional and Technical Services		24,696	24,696	22,587	2,109
Cleaning, Repair & Maintenance Svc.	98,450	(2,100)	96,350	72,698	23,652
Travel - All Other		1,500	1,500	584	916
Travel for Regular Business		600	600	267	333
General Supplies	70,600	(9,804)	60,796	40,119	20,677
Total Security	245,079	14,892	259,971	195,363	64,608

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 50,000	\$ (34,176)	\$ 15,824	\$ 15,823	\$ 1
Sal. For Pupil Trans (Between Home & Sch)-Reg.	30,000	(14,956)	15,044	12,976	2,068
Sal. For Pupil Trans (Between Home & Sch)-Spec. Ed	134,324	(33,417)	100,907	84,565	16,342
Sal. For Pupil Trans (Other than Between Home & Sch)	20,000	20,078	40,078	40,078	
Cleaning, Repair & Maint. Services	80,000		80,000	49,541	30,459
Contracted Services - Aid In Lieu of Payments-Non Public	150,000	10,000	160,000	132,217	27,783
Contracted Services (Between Home and School) - Vendors	330,000	38,714	368,714	328,053	40,661
Contracted Services (Other Than Between Home and School) - Vendors	115,000		115,000	31,242	83,758
Contracted Services (Special Ed. Students) - Vendors	820,000	(122,901)	697,099	482,411	214,688
Other Objects	14,000	-	14,000	3,739	10,261
Total Student Transportation Services	1,743,324	(136,658)	1,606,666	1,180,645	426,021
Unallocated Benefits- Employee Benefits					
Group Insurance	18,700	(7,632)	11,068	11,068	
Social Security Contributions	630,000	30,356	660,356	660,355	1
Other Retirement Contrib.- PERS	600,000	27,238	627,238	627,238	
Other Retirement Contrib.- Regular	50,000	(3,630)	46,370	46,370	
Unemployment Compensation	50,000		50,000	757	49,243
Workmen's Compensation	300,000	(13,680)	286,320	286,319	1
Health Benefits	9,410,850	(386,274)	9,024,576	7,134,937	1,889,639
Tuition Reimbursement	70,000	1	70,001	70,000	1
Other Employee Benefits	40,000	73,356	113,356	113,356	-
Total Unallocated Benefits	11,169,550	(280,265)	10,889,285	8,950,400	1,938,885
TPAF Pension System Contribution (Normal Costs) (Non-Budgeted)					
				9,249,414	(9,249,414)
TPAF Pension System Contribution (NCGI) (Non-Budgeted)					
				130,496	(130,496)
TPAF Pension Systems Contribution (Post Retirement Medical Contributions)(Non-Budgeted)					
				2,191,526	(2,191,526)
TPAF Pension System Contribution (LTDI) (Non-Budgeted)					
				3,984	(3,984)
Reimbursed TPAF Social Security Reimbursements (Non-Budgeted)					
	-	-	-	1,894,594	(1,894,594)
Total On-Behalf TPAF Contributions	-	-	-	13,470,014	(13,470,014)
Total Undistributed Expenditures	36,225,581	(68,689)	36,156,892	43,090,372	(6,933,480)
Total Current Expenditures	60,493,610	323,093	60,816,703	66,987,711	(6,171,008)

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Instruction					
Learning and/or Language Disabilities		\$ 6,200	\$ 6,200	\$ 6,200	
Autism		4,603	4,603	4,473	\$ 130
Preschool Disabilities - Full Time		4,314	4,314	4,314	
School-Sponsored and Other Instructional Program		9,682	9,682	9,405	277
Undistributed Expenditures					
Instruction	\$ 40,565	240	40,805	29,806	10,999
Related and Extra Services	7,000		7,000		7,000
Instructional Staff Training Services	215,000	49,764	264,764	86,303	178,461
Admin Info Tech	37,500		37,500	27,466	10,034
Required Maintenance for School Facilities	80,000	2,023	82,023	31,347	50,676
Security	54,000		54,000		54,000
School Buses - Regular		111,898	111,898		111,898
Non-Instructional Services	4,000	-	4,000	-	4,000
Total Equipment	438,065	188,724	626,789	199,314	427,475
Facilities Acquisition and Construction Serv.					
Architectural/Engineering Services	63,000	26,294	89,294	70,034	19,260
Other Purchased Professional and Technical Services	155,625	-	155,625	30,625	125,000
Construction Services	1,096,200	991,956	2,088,156	721,994	1,366,162
Assessment for Debt Service on SDA Funding	769	-	769	769	-
Total Facilities Acquisition and Construction Serv.	1,315,594	1,018,250	2,333,844	823,422	1,510,422
Interest Deposit to Capital Reserve	10,000	-	10,000	-	10,000
Total Capital Outlay	1,763,659	1,206,974	2,970,633	1,022,736	1,947,897
Total Expenditures	62,257,269	1,530,067	63,787,336	68,010,447	(4,223,111)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(3,934,072)	(1,530,067)	(5,464,139)	5,350,856	10,814,995
Fund Balance, Beginning of Year	24,665,323	-	24,665,323	24,665,323	-
Fund Balance, End of Year	\$ 20,731,251	\$ (1,530,067)	\$ 19,201,184	\$ 30,016,179	\$ 10,814,995
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 14,580,284	
Capital Reserve-Designated for Subsequent Year's Expenditures - 2022/2023				3,443,102	
Maintenance Reserve				2,500,000	
Emergency Reserve				394,195	
Unemployment Compensation Reserve				654,258	
Excess Surplus-Designated for Subsequent Year's Expenditures - 2022/2023				1,000,000	
Excess Surplus				1,500,000	
Committed Fund Balance					
Year-End Encumbrances				905,350	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures - 2022/2023				1,090,876	
Year-End Encumbrances				552,976	
Unassigned Fund Balance				3,395,138	
				30,016,179	
Reconciliation to Governmental Funds Statements (GAAP):					
Less:					
2021/2022 Extraordinary Aid Not Recognized on a GAAP Basis			\$ (1,174,223)		
2021/2022 State Aid Not Recognized on a GAAP Basis			(197,324)		
				(1,371,547)	
Fund Balance per Governmental Funds (GAAP)				\$ 28,644,632	

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources	\$ 326,082	\$ 136,146	\$ 462,228	\$ 404,240	\$ (57,988)
Federal Sources	1,068,979	2,458,077	3,527,056	1,726,389	(1,800,667)
Local	-	69,993	69,993	375,967	305,974
 Total Revenues	 <u>1,395,061</u>	 <u>2,664,216</u>	 <u>4,059,277</u>	 <u>2,506,596</u>	 <u>(1,552,681)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	178,183	(45,878)	132,305	101,348	30,957
Purchased Professional and Technical Services	66,921	72,190	139,111	63,713	75,398
Tuition	830,916	81,250	912,166	912,166	
Other Purchased Services		1,860	1,860		1,860
General Supplies	144,634	140,721	285,355	237,422	47,933
Textbooks	38,394	3,500	41,894	40,537	1,357
Student Activities and Athletics (Non-Budget)	-	-	-	331,716	(331,716)
 Total Instruction	 <u>1,259,048</u>	 <u>253,643</u>	 <u>1,512,691</u>	 <u>1,686,902</u>	 <u>(174,211)</u>
Support Services					
Other Salaries	59,480	(23,132)	36,348	36,348	
Personal Services - Employee Benefits		47,752	47,752	44,909	2,843
Purchased Professional and Technical Services	76,533	493,501	570,034	182,838	387,196
Other Purchased Services		48,218	48,218	44,829	3,389
Supplies and Materials		86,579	86,579	72,742	13,837
Indirect Costs		563	563	253	310
Scholarship Awards (Non-Budget)	-	-	-	20,550	(20,550)
 Total Support Services	 <u>136,013</u>	 <u>653,481</u>	 <u>789,494</u>	 <u>402,469</u>	 <u>387,025</u>
Facilities Acquisition and Construction Services					
Equipment					
Non-Instructional	-	1,757,092	1,757,092	436,100	1,320,992
 Total Facilities Acquisition and Construction Services	 <u>-</u>	 <u>1,757,092</u>	 <u>1,757,092</u>	 <u>436,100</u>	 <u>1,320,992</u>
 Total Expenditures	 <u>1,395,061</u>	 <u>2,664,216</u>	 <u>4,059,277</u>	 <u>2,525,471</u>	 <u>1,533,806</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(18,875)	(18,875)
Fund Balances, Beginning of Year	441,373	-	441,373	441,373	-
Fund Balances, End of Year	<u>\$ 441,373</u>	<u>\$ -</u>	<u>\$ 441,373</u>	<u>\$ 422,498</u>	<u>\$ (18,875)</u>
Recapitulation:					
Restricted Fund Balance				\$ 171,504	
Scholarship Awards				250,994	
Student Activities and Athletics				<u>422,498</u>	

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL AND SPECIAL REVENUE FUNDS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	General Fund		Special Revenue Fund
Sources/Inflows of Resources			
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule	(C-1) \$ 73,361,303	(C-2)	\$ 2,506,596
Difference - Budget to GAAP			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Encumbrances, June 30, 2021			640
Encumbrances, June 30, 2022			(432,499)
Certain State Aid payments recognized for GAAP purposes, not recognized for budgetary statements. (2021/2022 State Aid)	(1,371,547)		
Certain State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2020/2021 State Aid)	<u>1,198,129</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>73,187,885</u>		\$ <u>2,074,737</u>
Uses/Outflows of Resources			
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule	(C-1) \$ 68,010,447	(C-2)	\$ 2,525,471
Differences - Budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the supplies are received for financial reporting purposes			
Encumbrances, June 30, 2021			640
Encumbrances, June 30, 2022	<u>-</u>		<u>(432,499)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>68,010,447</u>	(B-2)	\$ <u>2,093,612</u>

REQUIRED SUPPLEMENTARY INFORMATION PART III

PENSION INFORMATION

AND

OTHER POST-EMPLOYMENT BENEFITS INFORMATION

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.53558%	0.05334%	0.05233%	0.05296%	0.05133%	0.04923%	0.05184%	0.05286%	0.05025%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,344,865	\$ 8,698,960	\$ 9,430,281	\$ 10,428,849	\$ 11,949,617	\$ 14,581,071	\$ 11,639,209	\$ 9,897,582	\$ 9,605,283
District's Covered-Employee Payroll	\$ 4,187,666	\$ 3,908,422	\$ 3,727,505	\$ 3,578,807	\$ 3,445,724	\$ 3,395,633	\$ 3,426,258	\$ 3,575,863	\$ 3,536,307
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	152%	223%	253%	291%	347%	429%	339%	277%	272%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

WESTWOOD REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Nine Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 627,238	\$ 583,555	\$ 509,082	\$ 526,846	\$ 475,550	\$ 437,369	\$ 445,768	\$ 436,163	\$ 378,683
Contributions in Relation to the Contractually Required Contribution	<u>627,238</u>	<u>583,555</u>	<u>509,082</u>	<u>526,846</u>	<u>475,550</u>	<u>437,369</u>	<u>445,768</u>	<u>436,163</u>	<u>376,683</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 4,187,724	\$ 4,187,666	\$3,908,422	\$3,578,807	\$ 3,445,724	\$ 3,395,633	\$3,426,258	\$ 3,426,258	\$ 3,575,863
Contributions as a Percentage of Covered-Employee Payroll	14.98%	13.94%	13.03%	14.72%	13.80%	12.88%	13.01%	12.20%	10.65%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

WESTWOOD REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Teachers Pension and Annuity Fund

Last Nine Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 108,724,887</u>	<u>\$ 150,839,359</u>	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	#####
Total	<u>\$ 108,724,887</u>	<u>\$ 150,839,359</u>	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	#####
District's Covered-Employee Payroll	\$ 25,609,535	\$ 24,959,380	\$ 24,717,953	\$ 24,048,741	\$ 22,722,196	\$ 20,732,635	\$ 20,151,772	\$ 20,246,792	\$ 19,700,425
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service Cost		\$ 3,469,822	\$ 3,150,922	\$ 3,472,423	\$ 4,208,442
Interest on Total OPEB Liability		2,538,783	2,979,848	3,150,037	2,705,826
Differences Between Expected and Actual Experience		19,351,248	(9,946,124)	(6,691,190)	
Changes of Assumptions		20,885,823	1,044,058	(8,592,938)	(11,292,547)
Gross Benefit Payments		(1,990,549)	(2,149,517)	(2,002,284)	(2,310,229)
Contribution from the Member	-	60,333	63,718	69,202	85,068
Net Change in Total OPEB Liability	-	44,315,460	(4,857,095)	(10,594,750)	(6,603,440)
Total OPEB Liability - Beginning	<u>114,339,094</u>	<u>70,023,634</u>	<u>74,880,729</u>	<u>85,475,479</u>	<u>92,078,919</u>
Total OPEB Liability - Ending	<u>\$ 114,339,094</u>	<u>\$ 114,339,094</u>	<u>\$ 70,023,634</u>	<u>\$ 74,880,729</u>	<u>\$ 85,475,479</u>
District's Proportionate Share of OPEB Liability		\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	<u>114,339,094</u>	<u>114,339,094</u>	<u>70,023,634</u>	<u>74,880,729</u>	<u>85,475,479</u>
Total OPEB Liability - Ending	<u>\$ 114,339,094</u>	<u>\$ 114,339,094</u>	<u>\$ 70,023,634</u>	<u>\$ 74,880,729</u>	<u>\$ 85,475,479</u>
District's Covered-Employee Payroll	<u>\$ 29,797,201</u>	<u>\$ 28,867,802</u>	<u>\$ 28,445,458</u>	<u>\$ 27,627,548</u>	<u>\$ 26,167,920</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll		0%	0%	0%	0%

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

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4.

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	IDEA				ESEA				SDA Emergent and Capital Needs	CARES Emergency Relief	Local Grants	Subtotal from Page 2	Total		
	Basic	ARP-Basic	Preschool	ARP-Preschool	Title I		Title II-A							Title III	
					2021-22	2020-21	2021-22	2020-21						2021-22	2020-21
Intergovernmental															
State												\$ 337,628	\$ 404,240		
Federal	\$ 790,322	\$ 143,144	\$ 31,950	\$ 3,889	\$ 137,815	\$ 1,428	\$ 71,986	\$ 1,619	\$ 10,902	\$ 905		\$ 525,422	1,726,389		
Local	-	-	-	-	-	-	-	-	-	-		\$ 42,576	375,967		
Total Revenues	\$ 790,322	\$ 143,144	\$ 31,950	\$ 3,889	\$ 137,815	\$ 1,428	\$ 71,986	\$ 1,619	\$ 10,902	\$ 905	\$ 66,612	\$ 7,007	\$ 42,576	\$ 1,196,441	\$ 2,506,596
EXPENDITURES															
Instruction															
Salaries of Teachers					\$ 58,244	\$ 1,327			\$ 8,303	\$ 841		\$ 2,242		\$ 30,391	\$ 101,348
Other Salaries															-
Purchased Professional and Technical Services															63,713
Tuition	\$ 769,022	\$ 143,144													63,713
General Supplies			\$ 31,950	\$ 3,889	811				267				\$ 42,576		912,166
Textbooks															157,929
Student Activities and Athletics															40,537
Total Instruction	769,022	143,144	31,950	3,889	59,055	1,327	-	-	8,570	841	-	2,242	42,576	624,286	1,686,902
Support Services															
Other Salaries					36,348										36,348
Personal Services - Employee Benefits					42,086	101			635	64		172		1,851	44,909
Program Administration															-
Purchased Professional and Technical Services	21,300						\$ 30,473							131,065	182,838
Other Purchased Services							41,513	\$ 1,619	1,697					44,829	44,829
Supplies and Materials					326						\$ 66,612	4,340		1,464	72,742
Scholarship Awards														20,550	20,550
Indirect Costs												253		-	253
Total Support Services	21,300	-	-	-	78,760	101	71,986	1,619	2,332	64	66,612	4,765	-	154,930	402,469
Facilities Acquisition and Construction Services															
Equipment															
Non-Instructional														436,100	436,100
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-	-	-	-	-	436,100	436,100
Total Expenditures	790,322	143,144	31,950	3,889	137,815	1,428	71,986	1,619	10,902	905	66,612	7,007	42,576	1,215,316	2,525,471
Excess (Deficiency) of Revenues															
Over (Under) Expenditures														(18,875)	(18,875)
Fund Balances, Beginning of Year														441,373	441,373
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422,498	\$ 422,498

WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	CRRSA			ARP		Chapter 192 Auxiliary Services		Chapter 193 Handicapped Services			NJ Nonpublic Aid				Scholarship Awards	Student Activities/ Athletics	Subtotal to Page 1
	ESSER II	Learning Acceleration	Mental Health	Summer Learning	Beyond School	ESL	Home Instruction	Supplemental Instruction	Examination and Classification	Corrective Speech	Nursing	Textbooks	Technology	Security			
Intergovernmental																	
State																	
Federal	\$ 436,100	\$ 30,042	\$ 45,000	\$ 6,200	\$ 8,080	\$ 640	\$ 558	\$ 23,376	\$ 29,579	\$ 9,560	\$ 83,529	\$ 40,537	\$ 28,910	\$ 120,939		\$ 337,628	
Local	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 5,921	\$ 327,470	
Total Revenues	\$ 436,100	\$ 30,042	\$ 45,000	\$ 6,200	\$ 8,080	\$ 640	\$ 558	\$ 23,376	\$ 29,579	\$ 9,560	\$ 83,529	\$ 40,537	\$ 28,910	\$ 120,939	\$ 5,921	\$ 1,196,441	
EXPENDITURES																	
Instruction																	
Salaries of Teachers		\$ 24,191		\$ 6,200												\$ 30,391	
Other Salaries																-	
Purchased Professional and Technical Services						\$ 640	\$ 558	\$ 23,376	\$ 29,579	\$ 9,560						63,713	
Supplies and Materials					\$ 8,080								\$ 28,910	\$ 120,939		157,929	
Textbooks												\$ 40,537				40,537	
Student Activities and Athletics																\$ 331,716	
Total Instruction		24,191		6,200	8,080	640	558	23,376	29,579	9,560		40,537	28,910	120,939		624,286	
Support Services																	
Personal Services - Employee Benefits		1,851														1,851	
Purchased Professional and Technical Services		4,000	\$ 45,000								\$ 82,065					131,065	
Other Purchased Services												1,464				1,464	
Supplies and Materials																-	
Scholarship Awards															\$ 20,550	20,550	
Total Support Services		5,851	45,000								83,529				20,550	154,930	
Facilities Acquisition and Construction Services																	
Equipment																	
Non-Instructional	\$ 436,100															436,100	
Total Facilities Acquisition and Construction Services	436,100															436,100	
Total Expenditures	436,100	30,042	45,000	6,200	8,080	640	558	23,376	29,579	9,560	83,529	40,537	28,910	120,939	20,550	1,215,316	
Excess (Deficiency) of Revenues Over (Under) Expenditures															(14,629)	(4,246)	
Fund Balances, Beginning of Year															186,133	255,240	
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171,504	\$ 422,498	

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Prior Year Transfers</u>	<u>Cancelled</u>		<u>Unexpended Balance, June 30, 2022</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>		<u>Prior Year</u>	<u>Current Year</u>	
Numerous Physical Plant Renovations at Berkeley Elementary School, Brookside Elementary School, Jessie F. George Elementary School and Washington School; Physical Plant and Educational Renovations (Science Lab) at Westwood Jr./Sr. High School; and Physical Plant Renovations and Additions (New Cafeteria) and Educational Additions (Four New Classrooms) at Ketter Elementary School (2007 Referendum Project)	\$ 14,694,075	\$ 14,330,425		\$ (171,339)	\$ 93,352	\$ 98,959	
Athletic Field at High School	3,080,000	3,251,339		171,339			
High School Façade Replacement	3,623,890	3,601,320					\$ 22,570
High School Partial Roof Replacement	2,760,152	2,274,497				75,773	409,882
Gym Floor Replacement Project	199,892	192,982					6,910
Construction of New Middle School	23,891,520	22,746,387	\$ 277,711				867,422
Replacement of Existing HVAC Units at Middle School	850,000	634,722	54,911				160,367
A-Field Refurbishment Project	<u>768,362</u>	<u>763,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,001</u>
	<u>\$ 49,867,891</u>	<u>\$ 47,795,033</u>	<u>\$ 332,622</u>	<u>\$ -</u>	<u>\$ 93,352</u>	<u>\$ 174,732</u>	<u>\$ 1,472,152</u>
				Transferred to Debt Service Fund	\$ 98,884		
				Cancelled SDA Grants Receivable	75,773		
				Authorized but not Issued	<u>75</u>		
					<u>\$ 174,732</u>		
				Project Balance		\$ 1,472,152	
				Debt Authorized Not Issued		<u>(520)</u>	
				Fund Balance - Budgetary Basis		<u>\$ 1,471,632</u>	

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE YEAR FISCAL ENDED JUNE 30, 2022**

Revenues and Other Financing Sources	
Other Financing Sources	
Transfer from Capital Reserve	\$ <u> -</u>
 Total Revenues and Other Financing Sources	 <u> -</u>
 Expenditures and Other Financing Uses	
Expenditures	
Equipment	5,243
Purchased Professional and Technical Services	253,528
Construction Services	73,851
Other Financing Uses	
Cancellation of SDA Grant Receivable	75,773
Transfer to Debt Service Fund	<u>98,884</u>
 Total Expenditures and Other Financing Uses	 <u>507,279</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	 (507,279)
 Fund Balance - Beginning of Year	 <u>1,978,911</u>
 Fund Balance - End of Year	 <u>\$ 1,471,632</u>
 <u>Recapitulation of Fund Balance:</u>	
Year End Encumbrances	\$ 208,600
Available for Capital Projects	<u>1,263,032</u>
 Total Fund Balance - Restricted for Capital Projects	 <u>\$ 1,471,632</u>

WESTWOOD REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
 BUDGETARY BASIS
 2007 REFERENDUM - WESTWOOD JUNIOR/SENIOR HIGH SCHOOL REHABILITATION
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 7,354,184	-	\$ (165,380)	\$ 7,188,804	\$ 7,188,879
Total Revenues and Other Financing Sources	<u>7,354,184</u>	<u>-</u>	<u>(165,380)</u>	<u>7,188,804</u>	<u>7,188,879</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	1,056,307			1,056,307	1,056,307
Construction Services	5,919,638			5,919,638	5,989,717
Supplies	142,855			142,855	142,855
Transfer to Debt Service Fund	48,568	\$ 21,436	-	70,004	-
Total Expenditures and Other Financing Uses	<u>7,167,368</u>	<u>21,436</u>	<u>-</u>	<u>7,188,804</u>	<u>7,188,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 186,816</u>	<u>\$ (21,436)</u>	<u>\$ (165,380)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-050-07-2000				
Grant Date	N/A				
Bond Issue Date	9/15/08				
Bonds Authorized	\$ 9,535,798				
Bonds Issues	9,535,798				
Original Authorized Cost	9,535,798				
Adjustment	(2,346,919)				
Revised Authorized Cost	7,188,879				
Percentage Increase Over Original Authorized Cost					
Percentage Completion	99%				
Original Target Completion Date					
Revised Target Completion Date	2014/15				

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BERKELEY AVENUE SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 523,745	-	\$ (5,959)	\$ 517,786	\$ 517,786
Total Revenues and Other Financing Sources	<u>523,745</u>	<u>-</u>	<u>(5,959)</u>	<u>517,786</u>	<u>517,786</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	71,054			71,054	71,054
Construction Services	443,102			443,102	446,732
Transfer to Debt Service Fund	<u>3,630</u>	<u>-</u>	<u>-</u>	<u>3,630</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>517,786</u>	<u>-</u>	<u>-</u>	<u>517,786</u>	<u>517,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,959</u>	<u>\$ -</u>	<u>\$ (5,959)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-060-07-2000				
Grant Date	N/A				
Bond Issue Date	9/15/08				
Bonds Authorized	\$ 512,710				
Bonds Issued	512,710				
Original Authorized Cost	512,710				
Adjustment	5,076				
Revised Authorized Cost	517,786				
Percentage Increase Over Original Authorized Cost	-				
Percentage Completion	100%				
Original Target Completion Date	-				
Revised Target Completion Date	2013/2014				

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BROOKSIDE ELEMENTARY SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 626,120	-	\$ 626,120	\$ 626,120
Total Revenues and Other Financing Sources	<u>626,120</u>	<u>-</u>	<u>626,120</u>	<u>626,120</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	60,819		60,819	60,819
Construction Services	553,696		553,696	565,301
Transfer to Debt Service Fund	11,605	-	11,605	-
Total Expenditures and Other Financing Uses	<u>626,120</u>	<u>-</u>	<u>626,120</u>	<u>626,120</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-062-07-2000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 555,325			
Bonds Issued	555,325			
Original Authorized Cost	555,325			
Adjustment	70,795			
Revised Authorized Cost	626,120			
Percentage Increase Over Original Authorized Cost	13%			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - JESSIE F. GEORGE ELEMENTARY SCHOOL REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 289,048	-	\$ 289,048	\$ 289,048
Total Revenues and Other Financing Sources	<u>289,048</u>	<u>-</u>	<u>289,048</u>	<u>289,048</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	31,703		31,703	32,000
Construction Services	253,972		253,972	257,048
Transfer to Debt Service Fund	<u>3,373</u>	<u>-</u>	<u>3,373</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>289,048</u>	<u>-</u>	<u>289,048</u>	<u>289,048</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-065-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 527,125			
Bonds Issued	527,125			
Original Authorized Cost	527,125			
Adjustment	(238,077)			
Revised Authorized Cost	289,048			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - KETLER ELEMENTARY SCHOOL ADDITION AND REHABILITATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 5,632,232	-	\$ 5,632,232	\$ 5,632,232
Total Revenues and Other Financing Sources	<u>5,632,232</u>	<u>-</u>	<u>5,632,232</u>	<u>5,632,232</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	734,077		734,077	742,232
Construction Services	4,718,403		4,718,403	4,800,000
General Supplies	87,302		87,302	90,000
Transfer to Debt Service Fund	15,002	\$ 77,448	92,450	-
Total Expenditures and Other Financing Uses	<u>5,554,784</u>	<u>77,448</u>	<u>5,632,232</u>	<u>5,632,232</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 77,448</u>	<u>\$ (77,448)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-070-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 5,129,379			
Bonds Issued	5,129,379			
Original Authorized Cost	5,129,379			
Adjustment	502,853			
Revised Authorized Cost	5,632,232			
Percentage Increase Over Original Authorized Cost	10%			
Percentage Completion	98%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

WESTWOOD REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
 BUDGETARY BASIS
 2007 REFERENDUM - WASHINGTON ELEMENTARY SCHOOL REHABILITATION
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 268,671	-	\$ 268,671	\$ 268,671
Total Revenues and Other Financing Sources	<u>268,671</u>	<u>-</u>	<u>268,671</u>	<u>268,671</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	32,655		32,655	32,655
Construction Services	224,842		224,842	236,016
Transfer to Debt Service Fund	<u>11,174</u>	<u>-</u>	<u>11,174</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>268,671</u>	<u>-</u>	<u>268,671</u>	<u>268,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-080-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 411,738			
Bonds Issued	411,663			
Original Authorized Cost	411,738			
Adjustment	(143,067)			
Revised Authorized Cost	268,671			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

WESTWOOD REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
 BUDGETARY BASIS
 ATHLETIC FIELD AT HIGH SCHOOL
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer from Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Transfer from Capital Reserve	\$ 1,102,000			\$ 1,102,000	\$ 1,102,000
Bond Proceeds	<u>1,978,000</u>	<u>-</u>	<u>\$ 171,339</u>	<u>2,149,339</u>	<u>2,149,339</u>
Total Revenues and Other Financing Sources	<u>3,080,000</u>	<u>-</u>	<u>171,339</u>	<u>3,251,339</u>	<u>3,251,339</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	<u>3,251,339</u>	<u>-</u>	<u>-</u>	<u>3,251,339</u>	<u>3,251,339</u>
Total Expenditures and Other Financing Uses	<u>3,251,339</u>	<u>-</u>	<u>-</u>	<u>3,251,339</u>	<u>3,251,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (171,339)</u>	<u>\$ -</u>	<u>\$ 171,339</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-065-09-1002				
Grant Date	5/1/2009				
Bond Authorization Date					
Bonds Authorized					
Bonds Issues/Transfers	\$ 2,149,339				
Original Authorized Cost	3,080,000				
Adjustment	171,339				
Revised Authorized Cost	3,251,339				
Percentage Increase Over Original Authorized Cost	6%				
Percentage Completion	100%				
Original Target Completion Date	2011/2012				
Revised Target Completion Date	2012/2013				

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL FAÇADE REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 1,773,954		\$ 1,773,954	\$ 1,773,954
Transfers from Capital Outlay	667,300		667,300	667,300
SDA (Regular Operating District) Grant	<u>1,182,636</u>	<u>-</u>	<u>1,182,636</u>	<u>1,182,636</u>
Total Revenues and Other Financing Sources	<u>3,623,890</u>	<u>-</u>	<u>3,623,890</u>	<u>3,623,890</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	208,890		208,890	208,890
Construction Services	<u>3,392,430</u>	<u>-</u>	<u>3,392,430</u>	<u>3,415,000</u>
Total Expenditures and Other Financing Uses	<u>3,601,320</u>	<u>-</u>	<u>3,601,320</u>	<u>3,623,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 22,570</u>	<u>\$ -</u>	<u>\$ 22,570</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1001			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,956,590			
Adjustment	667,300			
Revised Authorized Cost	3,623,890			
Percentage Increase Over Original Authorized Cost	23%			
Percentage Completion	99%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 1,656,091		\$ 1,656,091	\$ 1,656,091
SDA (Regular Operating District) Grant	<u>1,104,061</u>	<u>\$ (75,773)</u>	<u>1,028,288</u>	<u>1,028,288</u>
Total Revenues and Other Financing Sources	<u>2,760,152</u>	<u>(75,773)</u>	<u>2,684,379</u>	<u>2,684,379</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	136,800		136,800	136,800
Construction Services	<u>2,137,697</u>	<u>-</u>	<u>2,137,697</u>	<u>2,547,579</u>
Total Expenditures and Other Financing Uses	<u>2,274,497</u>	<u>-</u>	<u>2,274,497</u>	<u>2,684,379</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 485,655</u>	<u>\$ (75,773)</u>	<u>\$ 409,882</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1002			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,684,379			
Adjustment				
Revised Authorized Cost	2,684,379			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	85%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
GYM FLOOR REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 199,892	-	\$ 199,892	\$ 199,892
Total Revenues and Other Financing Sources	<u>199,892</u>	<u>-</u>	<u>199,892</u>	<u>199,892</u>
Expenditures and Other Financing Uses				
Construction Services	192,982	-	192,982	199,892
Total Expenditures and Other Financing Uses	<u>192,982</u>	<u>-</u>	<u>192,982</u>	<u>199,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 6,910</u>	<u>\$ -</u>	<u>\$ 6,910</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 199,892			
Adjustment				
Revised Authorized Cost	199,892			
Percentage Increase Over Original Authorized Cost		-		
Percentage Completion		97%		
Original Target Completion Date		2017/18		
Revised Target Completion Date		2017/18		

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
CONSTRUCTION OF NEW MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 7,751,000		\$ 7,751,000	\$ 7,751,520
Transfer from Debt Service Fund				
Capital Reserve	13,097,000		13,097,000	13,097,000
Debt Service State Aid	<u>3,043,000</u>	<u>-</u>	<u>3,043,000</u>	<u>3,043,000</u>
 Total Revenues and Other Financing Sources	 <u>23,891,000</u>	 <u>-</u>	 <u>23,891,000</u>	 <u>23,891,520</u>
Expenditures and Other Financing Uses				
Equipment		\$ 5,243	5,243	5,243
Purchased Professional and Technical Services	\$ 2,867,106	253,528	3,120,634	4,664,054
Construction Services	<u>19,879,281</u>	<u>18,940</u>	<u>19,898,221</u>	<u>19,222,223</u>
 Total Expenditures and Other Financing Uses	 <u>22,746,387</u>	 <u>277,711</u>	 <u>23,024,098</u>	 <u>23,891,520</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>\$ 1,144,613</u>	 <u>\$ (277,711)</u>	 <u>\$ 866,902</u>	 <u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/12/2017			
Bonds Authorized	\$ 23,891,520			
Bonds Issued	\$ 7,751,000			
Original Authorized Cost	\$ 23,891,520			
Adjustment	-			
Revised Authorized Cost	23,891,520			
 Percentage Increase Over Original Authorized Cost	 0%			
Percentage Completion	96%			
Original Target Completion Date	2020/21			
Revised Target Completion Date	2022/23			

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
REPLACEMENT OF EXISTING HVAC UNITS AT MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 850,000	-	\$ 850,000	\$ 850,000
Total Revenues and Other Financing Sources	<u>850,000</u>	<u>-</u>	<u>850,000</u>	<u>850,000</u>
Expenditures and Other Financing Uses				
Construction Services	<u>634,722</u>	\$ 54,911	<u>689,633</u>	<u>850,000</u>
Total Expenditures and Other Financing Uses	<u>634,722</u>	<u>54,911</u>	<u>689,633</u>	<u>850,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 215,278</u>	<u>\$ (54,911)</u>	<u>\$ 160,367</u>	<u>\$ -</u>
Additional Project Information:				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$ 850,000			
Adjustment		-		
Revised Authorized Cost		850,000		
Percentage Increase Over Original Authorized Cost				0%
Percentage Completion				81%
Original Target Completion Date			2020/21	
Revised Target Completion Date			2022/23	

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
A-FIELD REFURBISHMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	\$ 768,362	-	\$ 768,362	\$ 768,362
Total Revenues and Other Financing Sources	<u>768,362</u>	<u>-</u>	<u>768,362</u>	<u>768,362</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	39,000	-	39,000	39,000
Construction Services	<u>724,361</u>	<u>-</u>	<u>724,361</u>	<u>729,362</u>
Total Expenditures and Other Financing Uses	<u>763,361</u>	<u>-</u>	<u>763,361</u>	<u>768,362</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,001</u>	<u>\$ -</u>	<u>\$ 5,001</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 768,362			
Adjustment	-			
Revised Authorized Cost	768,362			
Percentage Increase Over Original				
Authorized Cost	0%			
Percentage Completion	99%			
Original Target Completion Date	2020/21			
Revised Target Completion Date	2022/23			

PROPRIETARY FUNDS

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

	<u>Summer Enrichment Program</u>	<u>1:1 Initiative</u>	<u>Total Non-Major Enterprise Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 59,494	\$ 33,947	\$ 93,441
Total Assets	<u>59,494</u>	<u>33,947</u>	<u>93,441</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	315	-	315
Unearned Revenue	<u>29,537</u>	<u>-</u>	<u>29,537</u>
Total Current Liabilities	<u>29,852</u>	<u>-</u>	<u>29,852</u>
NET POSITION			
Unrestricted	<u>29,642</u>	<u>33,947</u>	<u>63,589</u>
Total Net Position	<u>\$ 29,642</u>	<u>\$ 33,947</u>	<u>\$ 63,589</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Summer Enrichment Program</u>	<u>1:1 Initiative</u>	<u>Total Non-Major Enterprise Funds</u>
OPERATING REVENUES			
Charges for Services Program Fees	-	\$ 18,209	\$ 18,209
Total Operating Revenues	-	18,209	18,209
OPERATING EXPENSES			
Supplies and Materials	4,606	12,724	17,330
Total Operating Expenses	4,606	12,724	17,330
Operating Income (Loss)	(4,606)	5,485	879
NON-OPERATING REVENUES			
Interest and Investment Income	26	36	62
Total Non-Operating Revenues	26	36	62
Change in Net Position	(4,580)	5,521	941
Total Net Position, Beginning of Year	\$ 34,222	28,426	62,648
Total Net Position, End of Year	<u>\$ 29,642</u>	<u>\$ 33,947</u>	<u>\$ 63,589</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Summer Enrichment Program</u>	<u>1:1 Initiative</u>	<u>Total Non-Major Enterprise Funds</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 29,537	\$ 18,209	\$ 47,746
Cash Payments for Suppliers for Goods and Services	<u>(4,291)</u>	<u>(14,164)</u>	<u>(18,455)</u>
Net Cash Provided (Used) by Operating Activities	<u>25,246</u>	<u>4,045</u>	<u>29,291</u>
Cash Flows from Investing Activities			
Interest Received	<u>26</u>	<u>36</u>	<u>62</u>
Net Cash Provided by Investing Activities	<u>26</u>	<u>36</u>	<u>62</u>
Net Increase in Cash and Cash Equivalents	25,272	4,081	29,353
Cash and Cash Equivalents, Beginning of Year	<u>34,222</u>	<u>29,866</u>	<u>64,088</u>
Cash and Cash Equivalents, End of Year	<u>\$ 59,494</u>	<u>\$ 33,947</u>	<u>\$ 93,441</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	<u>\$ (4,606)</u>	<u>\$ 5,485</u>	<u>\$ 879</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities			
Increase/(Decrease) in Accounts Payable	315	(1,440)	(1,125)
Increase/(Decrease) in Unearned Revenue	<u>29,537</u>	<u>-</u>	<u>29,537</u>
Total Adjustments	<u>29,852</u>	<u>(1,440)</u>	<u>28,412</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 25,246</u>	<u>\$ 4,045</u>	<u>\$ 29,291</u>

FIDUCIARY FUNDS
(Not Applicable)

LONG-TERM DEBT

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF BONDS PAYABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2021</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
			<u>Date</u>	<u>Amount</u>				
2016 Refunding Bonds	4/7/2016	\$ 11,125,000	8/1/2022	\$ 820,000	4.000%	\$ 9,550,000	\$ 785,000	\$ 8,765,000
			8/1/2023	860,000	4.000%			
			8/1/2024	895,000	4.000%			
			8/1/2025	930,000	4.000%			
			8/1/2026	965,000	4.000%			
			8/1/2027	1,005,000	4.000%			
			8/1/2028	1,045,000	4.000%			
			8/1/2029	1,095,000	5.000%			
			8/1/2030	1,150,000	5.000%			
2018 School Bonds	9/20/2018	7,751,000	9/15/2022-2025	400,000	3.000%	<u>7,175,000</u>	<u>375,000</u>	<u>6,800,000</u>
			9/15/2026-2034	400,000	3.125%			
			9/15/2035-2038	400,000	3.250%			
						<u>\$ 16,725,000</u>	<u>\$ 1,160,000</u>	<u>\$ 15,565,000</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Not Applicable

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget with Actual</u>
REVENUES:					
Local Sources:					
Property Tax Levy	\$ 1,330,946		\$ 1,330,946	\$ 1,330,946	
State Sources					
Debt Service Aid	<u>4,359,258</u>	<u>-</u>	<u>435,928</u>	<u>435,928</u>	<u>-</u>
Total Revenues	<u>5,690,204</u>	<u>-</u>	<u>1,766,874</u>	<u>1,766,874</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Redemption of Principal	1,160,000		1,160,000	1,160,000	
Interest on Bonds	<u>606,875</u>	<u>-</u>	<u>606,875</u>	<u>606,875</u>	<u>-</u>
Total Regular Debt Service	<u>1,766,875</u>	<u>-</u>	<u>1,766,875</u>	<u>1,766,875</u>	<u>-</u>
Total Expenditures	<u>1,766,875</u>	<u>-</u>	<u>1,766,875</u>	<u>1,766,875</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,923,329</u>	<u>(3,923,330)</u>	<u>(1)</u>	<u>(1)</u>	<u>-</u>
OTHER FINANCING SOURCES					
Operating Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,884</u>	<u>(98,884)</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,884</u>	<u>(98,884)</u>
Net Change in Fund Balance	3,923,329	(3,923,330)	(1)	98,883	(98,884)
Fund Balance, Beginning of Year	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,923,330</u>	<u>\$ (3,923,330)</u>	<u>\$ -</u>	<u>\$ 98,884</u>	<u>\$ (98,884)</u>
Recapitulation of Fund Balance					
Designated for Subsequent Year				\$ 45,000	
Restricted for Debt Service				<u>53,884</u>	
				<u>\$ 98,884</u>	

STATISTICAL SECTION

This part of the Westwood Regional School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Exhibits

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

WESTWOOD REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	(Restated)	(Restated)						(Restated)		
Governmental Activities										
Net Investment in Capital Assets	\$ 9,080,545	\$ 11,757,643	\$ 14,116,063	\$ 16,641,633	\$ 17,586,138	\$ 21,747,405	\$ 23,987,704	\$ 35,646,139	\$ 37,542,626	\$ 37,778,550
Restricted	7,928,963	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	13,028,733	16,776,646	22,303,756
Unrestricted	2,550,117	(7,427,901)	(7,960,599)	(7,639,332)	(8,810,772)	(10,149,087)	(10,623,531)	(8,615,645)	(5,669,086)	(4,395,206)
Total governmental activities net position	\$ 19,559,625	\$ 14,903,104	\$ 20,081,733	\$ 25,157,617	\$ 28,494,558	\$ 30,671,973	\$ 32,925,104	\$ 40,059,227	\$ 48,650,186	\$ 55,687,100
Business-Type Activities										
Net Investment in Capital Assets	\$ 73,125	\$ 25,266	\$ 82,203	\$ 70,157	\$ 79,730	\$ 80,376	\$ 71,419	\$ 215,361	\$ 203,364	\$ 195,813
Restricted										
Unrestricted	97,871	127,755	134,374	164,967	214,409	257,741	332,987	301,201	348,720	627,853
Total business-type activities net position	\$ 170,996	\$ 153,021	\$ 216,577	\$ 235,124	\$ 294,139	\$ 338,117	\$ 404,406	\$ 516,562	\$ 552,084	\$ 823,666
District-Wide										
Net Investment in Capital Assets	\$ 9,153,670	\$ 11,782,909	\$ 14,198,266	\$ 16,711,790	\$ 17,665,868	\$ 21,827,781	\$ 24,059,123	\$ 35,861,500	\$ 37,745,990	\$ 37,974,363
Restricted	7,928,963	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	13,028,733	16,776,646	22,303,756
Unrestricted	2,647,988	(7,300,146)	(7,826,225)	(7,474,365)	(8,596,363)	(9,891,346)	(10,290,544)	(8,314,444)	(5,320,366)	(3,767,353)
Total district net position	\$ 19,730,621	\$ 15,056,125	\$ 20,298,310	\$ 25,392,741	\$ 28,788,697	\$ 31,010,090	\$ 33,329,510	\$ 40,575,789	\$ 49,202,270	\$ 56,510,766

Note 1 - Net Position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

Note 2 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 3 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses	(Restated)										
Governmental Activities											
Instruction											
Regular	\$ 18,860,854	\$ 19,917,888	\$ 19,192,579	\$ 22,866,004	\$ 24,441,641	\$ 28,300,446	\$ 30,155,736	\$ 28,600,722	\$ 29,395,538	\$ 31,277,974	\$ 27,091,636
Special Education	7,176,908	7,206,143	7,652,800	8,573,422	8,416,625	10,232,995	10,222,353	10,574,343	8,177,953	11,059,941	10,232,627
Other Instruction	1,104,763	1,303,308	1,533,324	1,530,383	1,490,307	1,468,680	1,434,862	1,076,096	1,180,931	1,184,909	2,046,558
School Sponsored Activities and Athletics	1,303,621	1,191,861	1,219,388	1,320,124	1,426,941	1,465,923	1,615,720	1,537,639	1,401,311	1,602,605	1,661,820
Support Services:											
Student & Instruction Related Services	9,632,234	10,469,502	9,996,396	10,675,895	11,929,533	12,326,470	12,511,438	11,785,211	11,509,188	12,277,358	11,661,879
School Administrative Services	2,869,580	3,008,414	2,997,858	3,352,217	3,421,124	3,986,266	4,201,979	3,989,512	4,192,550	4,371,881	3,743,244
General Administrative	895,101	994,148	883,832	1,130,717	1,313,684	1,390,777	1,790,462	1,564,005	1,749,819	1,912,649	1,534,012
Plant Operations and Maintenance	4,297,045	4,341,530	4,980,108	5,127,740	5,355,556	5,704,717	5,927,867	6,842,418	5,943,977	5,307,157	7,139,127
Pupil Transportation	1,400,947	1,458,013	1,449,545	1,334,608	1,402,650	1,453,690	1,506,860	1,289,167	1,145,355	1,101,618	1,258,687
Other Support Services	1,055,595	1,129,302	924,881	936,045	1,017,308	977,767	983,632	1,159,143	1,169,818	1,271,861	1,209,080
Interest on Long-Term Debt	676,550	649,226	621,983	597,394	628,127	441,592	616,116	615,149	622,288	514,781	647,398
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	49,273,198	51,669,335	51,452,694	57,444,549	60,843,496	67,749,323	70,967,025	69,033,405	66,488,728	71,882,734	68,226,068
Business-Type Activities:											
Food Service	847,148	817,588	855,312	798,375	920,552	930,915	985,937	1,052,198	847,640	576,427	1,324,657
Summer Enrichment	29,913	29,660	29,276	29,276	27,416	28,625	51,315	40,215	46,206	15,942	17,330
Total Business-Type Activities Expense	877,061	847,248	884,588	827,651	947,968	959,540	1,037,252	1,092,413	893,846	592,369	1,341,987
Total District Expenses	\$ 50,150,259	\$ 52,516,583	\$ 52,337,282	\$ 58,272,200	\$ 61,791,464	\$ 68,708,863	\$ 72,004,277	\$ 70,125,818	\$ 67,382,574	\$ 72,475,103	\$ 69,568,055
Program Revenues											
Governmental Activities:											
Charges for Services:											
Instruction (Tuition)	\$ 59,486	\$ 49,020	\$ 49,400	\$ 68,939	\$ 48,700	\$ 52,500	\$ 92,070	\$ 49,018	\$ 46,547	\$ 229,393	\$ 172,823
School Sponsored Activities and Athletics	-	-	-	-	-	-	-	-	-	-	327,470
Rentals	28,235	23,318	18,994	28,560	21,513	21,601	22,320	28,967	12,425	15,092	25,468
Operating Grants and Contributions	6,986,985	8,048,356	7,747,818	12,683,456	14,991,830	19,289,182	20,369,013	17,614,969	16,581,085	22,905,614	17,308,345
Capital Grants and Contributions	-	-	324,225	1,076,388	985,476	69,098	4,208	-	-	42,950	199,401
Total Governmental Activities Program Revenues	7,074,706	8,120,694	8,140,437	13,857,343	16,047,519	19,432,381	20,487,611	17,692,954	16,640,057	23,193,049	18,033,507
Business-Type Activities:											
Charges for Services											
Food Service	695,456	662,380	683,450	683,450	740,990	768,851	824,078	880,319	617,504	29,383	210,801
Summer Enrichment	38,975	37,870	28,325	28,325	28,255	41,290	48,000	66,107	63,970	505	18,209
Operating Grants and Contributions	139,793	146,338	178,290	178,290	196,636	206,571	206,151	206,599	187,071	597,898	1,384,229
Total Business Type Activities Program Revenues	874,224	846,588	890,065	890,065	965,881	1,016,712	1,078,229	1,153,025	868,545	627,786	1,613,239
Total District Program Revenues	\$ 7,948,930	\$ 8,967,282	\$ 9,030,502	\$ 14,747,408	\$ 17,013,400	\$ 20,449,093	\$ 21,565,840	\$ 18,845,979	\$ 17,508,602	\$ 23,820,835	\$ 19,646,746
Net (Expense)/Revenue											
Governmental Activities	\$ (42,198,492)	\$ (43,548,641)	\$ (43,312,257)	\$ (43,587,206)	\$ (44,795,977)	\$ (48,316,942)	\$ (50,479,414)	\$ (51,340,451)	\$ (49,848,671)	\$ (48,689,685)	\$ (50,192,561)
Business-Type Activities	(2,837)	(660)	5,477	62,414	17,913	57,172	40,977	60,612	(25,301)	35,417	271,252
Total District-Wide Net Expense	\$ (42,201,329)	\$ (43,549,301)	\$ (43,306,780)	\$ (43,524,792)	\$ (44,778,064)	\$ (48,259,770)	\$ (50,438,437)	\$ (51,279,839)	\$ (49,873,972)	\$ (48,654,268)	\$ (49,921,309)

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	(Restated)										
General Revenues and Other Changes in Net Position											
Governmental Activities:											
Property Taxes Levied for General Purposes, net	\$ 45,674,917	\$ 46,314,222	\$ 46,550,241	\$ 47,481,245	\$ 48,430,869	\$ 50,021,078	\$ 51,021,500	\$ 52,679,699	\$ 54,049,371	\$ 55,443,247	\$ 55,443,247
Taxes Levied for Debt Service	1,223,912	882,294	880,072	877,348	784,276	842,135	861,411	1,026,482	1,300,061	1,338,079	1,330,946
Unrestricted Grants and Contributions	-	-	2,180	52,774	56,730	82,201	83,193	6,352	-	-	-
Federal and State Aid - Restricted	54,915	160,505	166,195	173,687	180,747	217,877	190,657	3,077,998	232,333	278,225	286,198
Investment Earnings	89,397	69,207	77,701	66,461	72,137	116,501	204,098	547,432	378,312	27,364	65,728
Miscellaneous Income	-	234,674	80,836	114,320	347,102	374,091	295,970	74,606	92,603	193,729	103,356
Transfers	-	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	47,043,141	47,660,902	47,757,225	48,765,835	49,871,861	51,653,883	52,656,829	57,412,569	56,052,680	57,280,644	57,229,475
Business-Type Activities:											
Investment Earnings	604	940	1,142	1,142	634	1,843	3,001	8,880	3,281	105	330
Transfers	-	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	604	940	1,142	1,142	634	1,843	3,001	8,880	3,281	105	330
Total District-Wide	\$ 47,043,745	\$ 47,661,842	\$ 47,758,367	\$ 48,766,977	\$ 49,872,495	\$ 51,655,726	\$ 52,659,830	\$ 57,421,449	\$ 56,055,961	\$ 57,280,749	\$ 57,229,805
Change in Net Position											
Governmental Activities	\$ 4,844,649	\$ 4,112,261	\$ 4,444,968	\$ 5,178,629	\$ 5,075,884	\$ 3,336,941	\$ 2,177,415	\$ 6,072,118	\$ 6,204,009	\$ 8,590,959	\$ 7,036,914
Business-Type Activities	(2,233)	280	6,619	63,556	18,547	59,015	43,978	69,492	(22,020)	35,522	271,582
Total District	\$ 4,842,416	\$ 4,112,541	\$ 4,451,587	\$ 5,242,185	\$ 5,094,431	\$ 3,395,956	\$ 2,221,393	\$ 6,141,610	\$ 6,181,989	\$ 8,626,481	\$ 7,308,496

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
*(modified accrual basis of accounting)***

	2013	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022
General Fund										
Restricted	\$ 9,087,899	\$ 10,328,254	\$ 12,900,030	\$ 17,120,281	\$ 20,653,911	\$ 20,801,746	\$ 10,316,678	\$ 13,270,676	\$ 18,231,892	\$ 24,071,839
Committed	-	-	-	-	-	-	-	202,899	940,232	905,350
Assigned	917,968	1,345,035	1,174,435	1,747,435	1,403,414	1,215,009	668,515	2,086,761	2,328,727	1,643,852
Unassigned	877,374	868,900	867,411	847,827	900,366	977,310	964,826	911,295	1,966,343	2,023,591
Total General Fund	<u>\$ 10,883,241</u>	<u>\$ 12,542,189</u>	<u>\$ 14,941,876</u>	<u>\$ 19,715,543</u>	<u>\$ 22,957,691</u>	<u>\$ 22,994,065</u>	<u>\$ 11,950,019</u>	<u>\$ 16,471,631</u>	<u>\$ 23,467,194</u>	<u>\$ 28,644,632</u>
All Other Governmental Funds										
Reserved										
Restricted	\$ 1,282,130	\$ 1,935,988	\$ 2,638,452	\$ 633,919	\$ 664,165	\$ (505,405)	\$ 18,600,790	\$ 5,475,109	\$ 2,182,446	\$ 1,993,014
Unreserved	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 1,282,130</u>	<u>\$ 1,935,988</u>	<u>\$ 2,638,452</u>	<u>\$ 633,919</u>	<u>\$ 664,165</u>	<u>\$ (505,405)</u>	<u>\$ 18,600,790</u>	<u>\$ 5,475,109</u>	<u>\$ 2,182,446</u>	<u>\$ 1,993,014</u>

Note 1 - The fund balance at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84 "Fiduciary Activities".

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property Tax Levy	\$ 47,196,516	\$ 47,430,313	\$ 48,358,593	\$ 49,215,145	\$ 50,863,213	\$ 51,882,911	\$ 53,706,181	\$ 55,349,432	\$ 56,781,326	\$ 56,774,193
Tuition Charges	49,020	49,400	68,939	48,700	52,500	92,070	49,018	46,547	229,393	172,823
Interest Earnings	69,207	77,701	66,461	72,137	116,501	204,098	547,432	378,312	27,364	65,728
Miscellaneous	480,686	281,665	180,552	425,724	443,895	241,736	146,325	125,492	543,632	504,840
State Sources	7,069,175	7,131,039	8,339,140	9,163,412	8,697,179	9,896,982	14,216,431	12,357,017	14,230,921	18,345,767
Federal Sources	916,992	927,544	900,851	1,012,981	1,058,700	1,027,951	1,047,114	1,017,540	1,394,911	1,328,211
Total Revenue	55,781,596	55,897,662	57,914,536	59,938,099	61,231,988	63,345,748	69,712,501	69,274,340	73,207,547	77,191,562
Expenditures										
Instruction										
Regular Instruction	19,850,236	19,141,564	19,882,991	20,830,282	22,379,755	24,459,613	25,384,064	27,191,207	27,342,337	29,043,463
Special Education Instruction	7,200,000	7,647,425	7,921,041	7,606,512	8,733,736	8,896,501	9,759,855	8,017,734	10,056,671	10,721,354
Other Special Instruction										
Vocational Education										
Other Instruction	1,432,111	1,531,793	1,335,505	1,275,778	1,171,768	1,174,004	958,530	1,089,236	1,036,605	2,169,204
School Sponsored Activities and Athletics	1,189,877	1,217,979	1,265,374	1,341,463	1,313,458	1,435,429	1,452,115	1,369,118	1,508,051	1,648,039
Support Services:										
Tuition										
Student & Inst. Related Services	10,023,099	9,914,369	9,903,309	10,899,279	10,673,229	10,873,196	10,929,623	11,010,900	11,272,357	12,004,556
General Administration	969,298	833,739	989,865	1,150,211	1,150,793	1,481,861	1,417,925	1,571,833	1,673,112	1,563,445
School Administrative Services	3,002,684	2,989,391	2,977,795	2,971,662	3,210,115	3,507,662	3,588,165	3,911,810	3,848,395	3,962,964
Central Services	1,119,203	923,704	917,904	983,691	906,734	886,813	1,107,754	1,155,753	1,196,883	1,219,825
Plant Operations and Maintenance	4,033,195	4,102,985	4,067,711	4,250,554	4,461,856	4,577,160	5,484,563	4,822,068	4,726,206	5,462,050
Pupil Transportation	1,457,767	1,434,256	1,310,234	1,367,436	1,402,496	1,448,392	1,250,191	1,115,329	1,062,147	1,236,112
Employee Benefits										
Capital Outlay	1,865,901	2,622,619	3,018,012	3,269,553	1,368,211	4,628,733	6,646,787	15,824,225	4,006,733	1,405,669
Debt Service:										
Principal	637,027	593,155	615,000	640,000	750,000	695,000	16,865,000	936,000	1,130,000	1,160,000
Interest and Other Charges	659,528	631,877	607,644	728,004	437,443	492,050	696,783	793,307	645,150	606,875
Total Expenditures	53,439,926	53,584,856	54,812,385	57,314,425	57,959,594	64,556,414	85,541,355	78,808,520	69,504,647	72,203,556
Excess (Deficiency) of Revenues over (under) Expenditures	2,341,670	2,312,806	3,102,151	2,623,674	3,272,394	(1,210,666)	(15,828,854)	(9,534,180)	3,702,900	4,988,006
Other Financing Sources (Uses)										
Bond Proceeds							7,751,000			
Refunding Bond Proceeds				11,125,000						
Original Issue Premium				1,593,127		77,470				
Payment to Refunded Bond Escrow Agent				(12,572,667)						
Bond Anticipation Notes							16,140,000			
Transfers In	2,470,469	2,421,165	2,209,709		435,617	127,326	13,947,000	765,747	2,615	98,884
Transfers Out	(2,470,469)	(2,421,165)	(2,209,709)	-	(435,617)	(127,326)	(13,947,000)	(765,747)	(2,615)	(98,884)
Total Other Financing Sources (Uses)	-	-	-	145,460	-	77,470	23,891,000	-	-	-
Net Change in Fund Balances	\$ 2,341,670	\$ 2,312,806	\$ 3,102,151	\$ 2,769,134	\$ 3,272,394	\$ (1,133,196)	\$ 8,062,146	\$ (9,534,180)	\$ 3,702,900	\$ 4,988,006
Debt Service as a Percentage of Noncapital Expenditures	2.51%	2.40%	2.36%	2.53%	2.10%	1.98%	22.26%	2.75%	2.71%	2.50%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Interest Earned	Rentals	Insurance Refunds	Clean Energy Program	Cancelled Prior Year Checks / Accounts Payable	Tuition	Miscellaneous	Total
2013	\$ 69,207	\$ 23,318	\$ 128,196			\$ 49,020	\$ 106,478	\$ 376,219
2014	77,701	18,994				49,400	80,836	226,931
2015	66,461	28,560				68,939	114,320	278,280
2016	72,137	21,513			\$ 312,416	48,700	34,686	489,452
2017	116,501	21,601	194,892		124,382	52,500	54,817	564,693
2018	204,098	22,320	84,588		69,338	92,070	64,574	536,988
2019	547,432	28,967				49,018	74,606	700,023
2020	378,312	12,425				46,547	92,603	529,887
2021	27,364	15,092	80,045	31,900		229,393	81,784	465,578
2022	65,728	25,468	80,330			172,823	23,026	367,375

Source: District financial records

WESTWOOD REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

BOROUGH OF WESTWOOD

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2013	\$ 9,140,100	\$ 1,232,798,300			\$ 300,907,300	\$ 37,991,100	\$ 132,292,400	\$ 1,713,129,200		\$ 1,713,129,200	\$ 1,950,950,119	\$ 1.481
2014	7,757,300	1,198,836,400			348,075,100	39,282,700	147,777,500	1,741,729,000		1,741,729,000	1,841,735,328	1.458
2015	7,368,600	1,200,032,600			348,573,600	39,265,100	147,134,400	1,742,374,300		1,742,374,300	1,944,636,496	1.475
2016	7,147,900	1,205,065,900			350,549,500	38,708,500	147,279,400	1,748,751,200		1,748,751,200	1,959,278,249	1.505
2017	6,223,500	1,273,972,000			391,335,600	45,352,400	158,839,500	1,875,723,000		1,875,723,000	1,915,516,833	1.441
2018	5,929,300	1,300,533,900			422,372,000	47,372,900	162,231,200	1,938,439,300		1,938,439,300	1,945,643,230	1.434
2019	5,652,000	1,327,245,900			431,533,500	49,687,400	167,370,900	1,981,489,700		1,981,489,700	2,070,305,820	1.477
2020	5,028,600	1,346,479,700			440,149,700	51,700,400	173,509,900	2,016,868,300		2,016,868,300	2,064,559,627	1.501
2021	5,119,000	1,377,641,900			427,778,400	51,410,300	178,342,200	2,040,291,800		2,040,291,800	2,098,069,499	1.489
2022	5,530,800	1,447,771,800			438,202,900	57,245,300	199,546,700	2,148,297,500		2,148,297,500	2,199,621,840	1.428

TOWNSHIP OF WASHINGTON

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2013	\$ 11,238,500	1,804,248,500			\$ 46,740,400			\$ 1,862,227,400	\$ 1,141,098	\$ 1,863,368,498	\$ 1,722,211,597	\$ 1.178
2014	8,392,400	1,564,076,500			48,794,300			1,621,263,200	1,004,352	1,622,267,552	1,989,272,914	1.387
2015	8,224,800	1,560,619,000			48,794,300			1,617,638,100	1,032,412	1,618,670,512	1,704,758,853	1.426
2016	8,167,400	1,559,767,100			48,744,900			1,616,679,400	972,363	1,617,651,763	1,740,908,053	1.467
2017	9,429,400	1,560,673,000			49,365,000			1,619,467,400	973,490	1,620,440,890	1,746,668,795	1.503
2018	9,235,900	1,564,636,800			49,365,000			1,623,237,700	740,435	1,623,978,135	1,799,283,499	1.540
2019	7,236,400	1,569,503,300		\$ 2,000	47,216,000			1,623,957,700	719,264	1,624,676,964	1,801,393,119	1.556
2020	7,236,800	1,571,935,700		2,000	46,652,500			1,625,827,000	714,163	1,626,541,163	1,831,092,465	1.586
2021	7,016,300	1,574,551,600		2,000	46,652,500			1,628,222,400	716,083	1,628,938,483	1,860,317,274	1.621
2022	6,070,300	1,579,075,200		2,100	46,129,900			1,631,277,500	694,871	1,631,972,371	1,971,470,115	1.644

Source: County Abstract of Ratables

a Tax rates are per \$100

**WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

<u>Calendar Year</u>	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Township of Washington</u>	<u>County</u>
2022	\$ 2.581	\$ 1.644	\$ 0.645	\$ 0.292
2021	2.525	1.621	0.616	0.288
2020	2.485	1.586	0.619	0.280
2019	2.429	1.556	0.602	0.271
2018	2.363	1.540	0.552	0.271
2017	2.325	1.503	0.551	0.271
2016	2.270	1.470	0.540	0.260
2015	2.232	1.426	0.555	0.251
2014	2.212	1.387	0.587	0.238
2013	1.89	1.18	0.50	0.21

Source: Abstract of Ratables, County Board of Taxation.

**WESTWOOD REGIONAL SCHOOL DISTRICT
BOROUGH OF WESTWOOD
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

<u>Calendar Year</u>	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Borough of Westwood</u>	<u>County</u>
2022	\$ 2.408	\$ 1.428	\$ 0.730	\$ 0.250
2021	2.509	1.489	0.760	0.260
2020	2.534	1.501	0.778	0.255
2019	2.520	1.477	0.787	0.256
2018	2.483	1.434	0.801	0.248
2017	2.509	1.441	0.812	0.256
2016	2.627	1.505	0.847	0.275
2015	2.544	1.475	0.817	0.252
2014	2.492	1.458	0.787	0.247
2013	2.463	1.481	0.721	0.261

Source: Abstract of Ratables, County Board of Taxation.

WESTWOOD REGIONAL SCHOOL DISTRICT
 BOROUGH OF WESTWOOD
 PRINCIPAL PROPERTY TAXPAYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

2022		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Hackensack UMC at Pascack Valley	\$ 93,600,000	4.36%
Highlands at Westwood I LLC	62,721,800	2.92%
First Real Estate Investment Trust of NJ	38,632,600	1.80%
Westwood Charles Coventry Owner LP	21,684,300	1.01%
Charles Street Holdings, LLC	13,748,300	0.64%
Puccio III LLC	13,500,000	0.63%
Westwood Ctr Stanford Property Owner	13,076,000	0.61%
WW Madison Realty LLC NJ	12,747,500	0.59%
Westwood Hills, LLC	12,645,100	0.59%
Westwood Hills, LLC	12,645,100	0.59%
	<u>295,000,700</u>	<u>13.73%</u>

2013		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Pascack Valley Hospital LLC	60,977,000	3.56%
CPF Westwood LLC	46,430,700	2.71%
Westwood Hills LLC	28,795,000	1.68%
First Realty Investment Trust of NJ	23,300,000	1.36%
Westwood Coventry LLC	11,903,300	0.69%
Westwood Stanford LLC	7,804,800	0.46%
WVA LLC	7,417,200	0.43%
PVP Westwood LLC	6,500,000	0.38%
Westwood Madison LLC	5,543,800	0.32%
Rockland Coaches	5,451,200	0.32%
	<u>\$ 204,123,000</u>	<u>11.92%</u>

Source: Municipal Tax Assessor

WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	2022	
	Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center LLC	\$ 7,990,200	0.49%
Washington Town Center LLC	5,988,300	0.37%
CSH Pascaack LLC	5,308,500	0.33%
TJ Realty LLC	5,465,000	0.33%
Ormon LLC	3,539,000	0.22%
Washington Town Center LLC	2,638,800	0.16%
Washington Town Center LLC	2,617,700	0.16%
Grove City LLC	2,049,700	0.13%
34 Maple Avenue LLC	1,974,400	0.12%
Harrison, Damon	1,388,300	0.09%
	<u>38,959,900</u>	<u>2.39%</u>

Taxpayer	2013	
	Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center LLC	\$ 9,830,800	0.53%
Washington Town Center LLC	6,033,600	0.32%
TJ Realty LLC	6,000,700	0.32%
Binghamton/Washington Tennis Club	6,000,000	0.32%
Ormon, LLC	3,635,800	0.20%
Washington Town Centre LLC	2,934,400	0.16%
Individual Taxpayer	2,355,700	0.13%
Grove City LLC	2,107,900	0.11%
Individual Taxpayer	1,994,700	0.11%
Washington Town Center LLC	1,845,700	0.10%
	<u>\$ 42,739,300</u>	<u>2.29%</u>

Source: Municipal Tax Assessor

**WESTWOOD REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 47,196,516	\$ 47,196,516	100.00%	N/A
2014	47,430,313	47,430,313	100.00%	N/A
2015	48,358,593	48,358,593	100.00%	N/A
2016	49,215,145	49,215,145	100.00%	N/A
2017	50,863,213	50,863,213	100.00%	N/A
2018	51,882,911	51,882,911	100.00%	N/A
2019	53,706,181	53,706,181	100.00%	N/A
2020	55,349,432	55,349,432	100.00%	N/A
2021	56,781,326	56,781,326	100.00%	N/A
2021	56,774,193	56,774,193	100.00%	N/A

N/A - Not Applicable

Source: District records

**WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Westwood Population	Washington Township Population	Total per Capita (Both Towns)
	General Obligation Bonds	Capital Leases	Loans				
2013	\$ 15,542,000	\$ 1,286	\$ 6,869	\$ 15,550,155	11,079	9,237	\$ 765
2014	14,957,000			14,957,000	11,099	9,258	735
2015	14,342,000			14,342,000	11,127	9,279	703
2016	13,210,000			13,210,000	11,109	9,256	649
2017	12,460,000			12,460,000	11,139	9,243	611
2018	11,765,000			11,765,000	11,116	9,216	579
2019	18,791,000			18,791,000	11,083	9,177	927
2020	17,855,000			17,855,000	11,023	9,142	885
2021	16,725,000			16,725,000	11,203	9,249	818
2022	15,565,000			15,565,000	11,203 *	9,249 *	761

Source: District records

* Estimated

WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Borough of Westwood	Township of Washington	Total per Capita (both towns) ^b	
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property (1)		Percentage of Actual Taxable Value ^a of Property (1)
2013	\$ 15,542,000		\$ 15,542,000	0.91%	0.83%	\$ 765
2014	14,957,000		14,957,000	0.86%	0.92%	735
2015	14,342,000		14,342,000	0.82%	0.89%	703
2016	13,210,000		13,210,000	0.76%	0.82%	649
2017	12,460,000		12,460,000	0.66%	0.77%	611
2018	11,765,000		11,765,000	0.61%	0.72%	579
2019	18,791,000		18,791,000	0.95%	1.16%	927
2020	17,855,000		17,855,000	0.89%	1.10%	885
2021	16,725,000		16,725,000	0.82%	1.03%	818
2022	15,565,000		15,565,000	0.72%	0.95%	761

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-10 for population data.

(1) Based on percentage of valuations apportioned to each municipality

WESTWOOD REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2021
(Unaudited)

	<u>Gross Debt</u>
Municipal Debt: (1)	
Regional High School - Washington Township's Share	\$ 7,160,512
Township of Washington	<u>19,314,898</u>
	<u>\$ 26,475,410</u>
Municipal Debt: (1)	
Regional High School - Westwood's Share	\$ 8,405,083
Borough of Westwood	<u>12,300,646</u>
	<u>\$ 20,705,729</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen- Washington Township's Share (A)	\$ 14,759,506
County of Bergen- Westwood's Share (A)	16,645,800
Bergen County Utilities Authority - Water Pollution (B)-Washington Township's Share	2,469,565
Bergen County Utilities Authority -Water Pollution (B)- Westwood's Share	<u>3,245,304</u>
	<u>37,120,175</u>
Total Direct and Overlapping Debt	<u>\$ 57,825,904</u>

Source:

(1) Township/Borough's 2021 Annual Debt Statement

(A) The debt for this entity was apportioned to Washington Township and Westwood by dividing the municipality's 2021 equalized value by the total 2021 equalized value for County of Bergen.

(B) The debt was computed based upon usage.

WESTWOOD REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2022

		Borough of Westwood	Township of Washington
	2021	\$ 2,231,534,289	\$ 1,965,977,300
	2020	2,138,325,170	1,855,755,051
Equalized Valuation Basis	2019	<u>2,105,727,630</u>	<u>1,828,987,161</u>
		<u>\$ 6,475,587,089</u>	<u>\$ 5,650,719,512</u>
Average Equalized Valuation of Taxable Property		\$ 2,158,529,030	\$ 1,883,573,171
Debt Limit (4 % of average equalization value)		86,341,161	75,342,927
Total Net Debt Applicable to Limit		<u>8,405,083</u>	<u>7,160,512</u>
Legal Debt Margin		<u>\$ 77,936,078</u>	<u>\$ 68,182,415</u>

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 153,522,662	\$ 150,093,897	\$ 145,518,448	\$ 145,208,313	\$ 145,868,133	\$ 149,470,031	\$ 153,093,546	\$ 156,687,670	\$ 158,481,180	\$ 161,684,088
Total net debt applicable to limit	<u>15,548,944</u>	<u>14,957,000</u>	<u>14,342,075</u>	<u>13,210,075</u>	<u>12,460,075</u>	<u>35,656,595</u>	<u>18,791,595</u>	<u>17,855,595</u>	<u>8,405,083</u>	<u>15,565,520</u>
Legal debt margin	<u>\$ 137,973,718</u>	<u>\$ 135,136,897</u>	<u>\$ 131,176,373</u>	<u>\$ 131,998,238</u>	<u>\$ 133,408,058</u>	<u>\$ 113,813,436</u>	<u>\$ 134,301,951</u>	<u>\$ 138,832,075</u>	<u>\$ 150,076,097</u>	<u>\$ 146,118,568</u>
Total net debt applicable to the limit as a percentage of debt limit	10.13%	9.97%	9.86%	9.10%	8.54%	23.86%	12.27%	11.40%	5.30%	9.63%

Source: Annual Debt Statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Township of Washington

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate</u>
2013	9,237	\$ 71,286	7.40%
2014	9,258	73,883	5.00%
2015	9,279	77,323	4.30%
2016	9,256	78,836	4.10%
2017	9,243	81,024	3.80%
2018	9,216	85,191	3.30%
2019	9,177	88,241	2.90%
2020	9,142	91,972	9.00%
2021	9,249	N/A	5.40%
2022	9,249 E	N/A	N/A

Borough of Westwood

2013	11,079	\$ 71,286	7.60%
2014	11,099	73,883	5.00%
2015	11,127	77,323	4.30%
2016	11,109	78,836	3.80%
2017	11,139	81,024	3.60%
2018	11,116	85,191	3.40%
2019	11,083	88,241	2.70%
2020	11,023	91,972	8.50%
2021	11,203	N/A	5.40%
2022	11,203 E	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimated

**WESTWOOD REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

INFORMATION NOT AVAILABLE

WESTWOOD REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<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	190	190	190	186	173	195	195	221	230	217
Special Education	56	57	61	68	47	49	49	47	47	59
Support Services:										
Student & instruction Related Services	107	112	112	118	110	113	113	113	113	117
General Administration	4	5	5	5	5	6	6	6	6	7
School Administrative Services	21	16	17	17	23	24	24	24	24	26
Central Services	10	9	8	7	7	9	9	9	9	9
Plant Operations and Maintenance *	34	34	35	36	35	36	36	36	36	32
Other Support Services	2	2	2	2	6	6	6	6	6	4
Total	<u>424</u>	<u>425</u>	<u>428</u>	<u>439</u>	<u>405</u>	<u>438</u>	<u>438</u>	<u>462</u>	<u>471</u>	<u>471</u>

* - Lunch Aides reclassified as Student and Instruction Related Services; Summer help removed from FTE count.

Source: District records

WESTWOOD REGIONAL SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle	Junior/Senior High School				
2013	2,734.5	\$ 50,277,470	\$ 18,386	5.13%	246.0	12.47	11.11	9.71	2,680.3	2,569.9	-0.92%	95.88%
2014	2,723.0	49,737,205	18,266	-0.65%	247.0	11.9	9.2	10.52	2,688.1	2,575.1	0.29%	95.79%
2015	2,752.5	50,571,729	18,373	0.59%	251.0	11.7	10.41	10.19	2,736.0	2,620.4	1.78%	95.78%
2016	2,762.5	52,676,828	19,069	3.79%	254.0	11.24	10.28	10.73	2,733.9	2,620.8	-0.08%	95.86%
2017	2,779.5	55,403,940	19,933	4.53%	276.8	9.92	14.84	7.97	2,777.9	2,650.6	1.61%	95.42%
2018	2,796.0	57,533,000	20,577	3.23%	251.0	11.84	10.15	10.91	2,795.1	2,669.6	0.62%	95.51%
2019	2,779.0	61,332,785	22,070	7.26%	244.0	17.39	13.34	12.81	2,771.8	2,637.9	-0.83%	95.17%
2020	2,787.0	61,254,988	21,979	-0.41%	268.0	10.58	9.81	10.59	2,797.1	2,700.0	0.91%	96.53%
2021	2,766.0	63,722,764	23,038	4.82%	277.0	9.96	10.49	9.65	2,767.9	2,701.2	-1.05%	97.59%
2022	2,754.0	69,031,012	25,066	14.04%	276.0	10.06	10.16	9.7	2,766.5	2,623.4	-1.10%	94.83%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
<u>Elementary</u>										
Washington										
Square Feet	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	305	311	298	292	300	298	323	309	316	329
Jessie George										
Square Feet	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment ^a	253	250	250	247	262	255	270	289	272	280
Brookside										
Square Feet	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	376	369	382	389	401	420	389	403	402	401
Berkeley										
Square Feet	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	294	309	288	295	300	291	313	306	288	276
<u>Middle School</u>										
Square Feet	47,400	47,400	47,400	47,400	47,400	47,400	47,400	47,400	97,465	97,465
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	464	431	433	430	419	416	431	433	642	632
<u>Jr/Sr High School</u>										
Square Feet	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	931	1,020	1,068	1,080	1,097	1,069	1,060	1,071	848	848

Number of Schools at June 30, 2022

Elementary = 4

Middle School = 1

Senior High School = 1

Source: District Records

N/A - Not Available

WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)

<u>School Facilities</u>	<u>Project #'s</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>
Berkeley Elementary	60	\$ 62,750	\$ 67,255	\$ 77,469	\$ 71,052	\$ 77,523	\$ 81,505	\$ 116,348	\$ 71,204	\$ 83,985	\$ 94,773
George Elementary	65	56,220	60,256	69,407	63,658	58,538	55,639	75,494	52,890	52,060	63,228
Washington Elementary	80	73,337	78,602	90,539	83,039	84,762	72,494	133,398	76,814	84,923	150,188
Brookside Elementary	62	70,910	76,000	87,543	80,292	125,076	78,549	159,731	88,487	104,687	104,016
Middle School	70	70,284	75,329	86,769	79,582	132,402	91,131	146,799	198,517	154,459	134,113
Westwood Junior/Senior High School	50	<u>333,784</u>	<u>357,742</u>	<u>412,075</u>	<u>377,942</u>	<u>401,585</u>	<u>359,526</u>	<u>535,976</u>	<u>437,360</u>	<u>488,627</u>	<u>416,772</u>
Grand Total		<u>\$ 667,285</u>	<u>\$ 715,184</u>	<u>\$ 823,802</u>	<u>\$ 755,564</u>	<u>\$ 879,886</u>	<u>\$ 738,844</u>	<u>\$ 1,167,746</u>	<u>\$ 925,272</u>	<u>\$ 968,741</u>	<u>\$ 963,090</u>

Source: District Records

WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)

Article I - Property

Coverage

Blanket Real and Personal Property	\$	500,000,000	per occurrence
Blanket Extra Expense		50,000,000	per occurrence
Blanket Valuable Papers and Records		10,000,000	per occurrence
Demolition and Increased Cost of Construction		25,000,000	per occurrence
Fire Department Service Charge		10,000	per occurrence
Arson Reward		10,000	per occurrence
Pollutant Cleanup and Removal		250,000	per occurrence
Sublimits: Flood Zones			per occurrence
		25,000,000	NJSIG annual aggregate
All Flood Zones		75,000,000	per occurrence/NJSIG annual aggregate
Earthquake		50,000,000	per occurrence
			NJSIG annual aggregate
Terrorism		1,000,000	per occurrence
			NJSIG annual aggregate
Deductibles:			
Real & Personal		5,000	per occurrence
Extra Expense		5,000	per occurrence
Valuable Papers		5,000	per occurrence
Special Flood Hazard Area Flood Deductibles			
		500,000	per building
		500,000	per building contents
All Other Flood Zones		10,000	per member/per occurrence

Article II - Electronic Data Processing

Data Processing Equipment Including Data and Media, Extra Expense, Business Income, Duplicates, Transit and Debris Removal		500,000,000	per occurrence
Computer Virus		250,000	
Terrorism			Included in Property
Deductible		1,000	per occurrence
Flood Deductibles:		10,000	per member/per occurrence

**WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)**

Article III - Equipment Breakdown

Combined Single Limit per Accident for Property Damage and Business Income	\$	100,000,000
Sublimits:		
Property Damage		Included
Off Premises Property Damage		1,000,000
Business Income		Included
Extra Expense		10,000,000
Service Interruption		10,000,000
Perishable Goods		1,000,000
Data Restoration		1,000,000
Contingent Business Income		1,000,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		1,000,000
Hazardous Substances		1,000,000
Newly Acquired Locations (120 days notice)		1,000,000
Terrorism		Included

Deductibles:

\$25,000 per Accident for Property Damage
12 Hours for Indirect Coverages
Service Interruption Waiting Period - 24 Hours

Article IV - Crime

	<u>Limits</u>	<u>Deductibles</u>
Public Employee Dishonesty with Faithful Performance	\$ 250,000	1,000
Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	50,000	1,000
Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	50,000	1,000
Forgery or Alteration	250,000	1,000
Computer Fraud	250,000	1,000
Public Officials Bond:		
Board Secretary	100,000	1,000
Treasurer	350,000	1,000

Article V - Comprehensive General Liability

Bodily Injury and Property Damage	31,000,000	per occurrence
Products and Completed Operations	31,000,000	annual aggregate
Sexual Abuse	15,000,000	
	27,000,000	annual NJSIG aggregate
Personal Injury and Advertising Injury	31,000,000	per occurrence
Employee Benefits Liability	31,000,000	per occurrence/annual aggregate
Employee Benefits Liability Deductible	1,000	each claim
Premises Medical Payments	10,000	per accident
	5,000	limit per person
Terrorism	1,000,000	per occurrence/annual NJSIG aggregate

Source: District Records

*Note: The District is part of the New Jersey School Boards Insurance Group. The above coverage represents the combined amounts for all of the school districts under master policies with insurance companies.

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

We have audited, in accordance with the 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Westwood Regional School District's basic financial statements and have issued our report thereon dated January 30, 2023

Report on Internal Control Over Financial Reporting

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

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

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


Report on Compliance and Other Matters

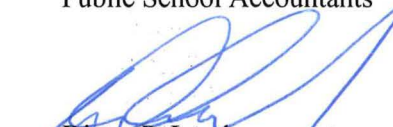
As part of obtaining reasonable assurance about whether the Westwood Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Westwood Regional School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated January 30, 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 Westwood Regional School District'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 Westwood Regional School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 30, 2023



LERCH, VINCI & BLISS, LLP

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Westwood Regional School District
Washington Township, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Westwood Regional School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Westwood Regional School District's major federal and state programs for the fiscal year ended June 30, 2022. The Westwood Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Westwood Regional School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal 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; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulation, rules, and provisions of contracts or grant agreements applicable to the Westwood Regional School District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Westwood Regional School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Westwood Regional School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Westwood Regional School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance, which is described in the accompanying schedule of findings and questioned costs as item 2022-01. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Westwood Regional School District's response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Westwood Regional School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

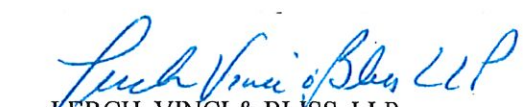
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

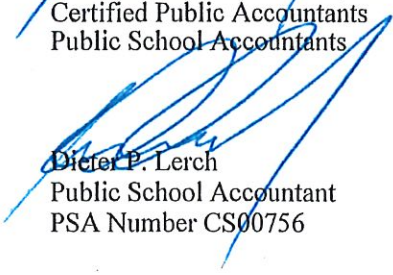
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated January 30, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

Fair Lawn, New Jersey
January 30, 2023


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

WESTWOOD REGIONAL SCHOOL DISTRICT.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grant/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2021			Cash Received	Budgetary Expenditures	Adjustment- Carryover Receivables	Adjustments	Balance, June 30, 2022			MEMO GAAP Receivable
					Accounts Receivable	Unearned Revenue	Carryover Amount					(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
IDEA Part B Basic	84.027A	H027A210100	7/1/21-9/30/22	\$ 793,001			\$ 82,133	\$ 595,391	\$ 790,322	\$ (82,133)		\$ (279,743)	\$ 84,812	\$ 194,931	
ARP-IDEA Basic			7/1/21-9/30/22	155,440				143,144	143,144			(12,296)	12,296		
IDEA Part B Basic	84.027A	H027A200100	7/1/20-9/30/21	794,180	\$ (87,508)	\$ 82,133	(82,133)	5,375		82,133					
IDEA Preschool	84.173	H173A210114	7/1/21-9/30/22	37,369				22,719	31,950			(14,650)	5,419	9,231	
ARP-IDEA Preschool			7/1/21-9/30/22	13,265				3,889				(13,265)	9,376	3,889	
IDEA Preschool	84.173	H173A200114	7/1/20-9/30/21	36,736	(38,267)	-	-	38,267							
Special Education Cluster Total					(125,775)	82,133	-	804,896	969,305	-	-	(319,954)	111,903	208,051	
Coronavirus Aid, Relief, and Economic Security (CARES) Act (ESSER I)															
CARES Emergency Relief Grant	84.425d	S425D2000027	3/31/20-9/30/22	169,734	(26,802)	16,166		13,495	7,007			(12,790)	8,642	4,148	
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (ESSER II)															
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	541,071	(541,071)	541,071			436,100			(541,071)	104,971	436,100	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	34,723	(34,723)	34,723		30,042	30,042			(4,681)	4,681		
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(45,000)	45,000		11,965	45,000			(33,035)		33,035	
American Rescue Plan (ESSER III)															
ARP		S425U2000027	3/31/20-9/30/24	1,216,021								(1,216,021)	1,216,021		
Accelerated Learning	84.425U	S425U2000027	3/31/20-9/30/24	236,099								(236,099)	236,099		
Summer Learning	84.425U	S425U2000027	3/31/20-9/30/24	40,000					6,200			(40,000)	33,800	6,200	
Mental Health Support	84.425U	S425U2000027	3/31/20-9/30/24	45,000								(45,000)	45,000		
Beyond School	84.425U	S425U2000027	3/31/20-9/30/24	40,000								(37,739)	29,659		
ESSER Cluster Total					(647,596)	636,960	-	55,502	532,429	-	-	(2,166,436)	1,678,873	487,563	
ESEA Title I	84.010	S010A210030	7/1/21-9/30/22	139,989				73,570	137,815			(66,419)	2,174	64,245	
ESEA Title I	84.010	S010A200030	7/1/20-9/30/21	165,071	(68,245)	1,428		68,245	1,428						
ESEA Title IIA	84.367A	S367A210029	7/1/21-9/30/22	50,580			24,459	41,451	71,986	(24,459)		(33,588)	3,053	30,535	
ESEA Title IIA	84.367A	S367A200029	7/1/20-9/30/21	60,699	(28,828)	26,078	(24,459)	4,369	1,619	24,459					
ESEA Title III	84.365A	S365A210030	7/1/21-9/30/22	12,787				10,069	10,902			(2,718)	1,885	833	
ESEA Title III	84.365A	S365A200030	7/1/20-9/30/21	12,293	(2,260)	905	-	2,260	905	-	-				
Total Special Revenue Fund					(872,704)	747,504	-	1,060,362	1,726,389	-	-	(2,589,115)	1,797,888	791,227	
U.S. Department of Health and Human Services															
Passed-through State Department of Education															
General Fund															
Medical Assistance Program	93.778	2005NJ5MAP	7/1/21-6/30/22	3,804	-	-	-	3,804	3,804	-	-	-	-	-	
U.S. Department of Agriculture															
Passed-through State Department of Education															
Enterprise Fund:															
School Breakfast Program	10.553	221NJ304N1099	7/1/21-6/30/22	16,248				1,204	16,960			(15,756)		15,756	
School Breakfast Program	10.553	211NJ304N1099	7/1/20-6/30/21	184,292	(38,393)			38,393							
National School Lunch Program	10.555														
Non-Cash Assistance		221NJ304N1099	7/1/21-6/30/22	44,206				44,206	44,206						
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	1,276,827				1,043,174	1,293,075			(249,901)		249,901	
Cash Assistance		211NJ304N1099	7/1/20-6/30/21	352,870	(72,975)	-	-	72,975							
Total Enterprise Fund / Child Nutrition Cluster					(111,368)	-	-	1,199,952	1,354,241	-	-	(265,657)	-	265,657	
Total Federal Awards					\$ (984,072)	\$ 747,504	\$ -	\$ 2,264,118	\$ 3,084,434	\$ -	\$ -	\$ (2,854,772)	\$ 1,797,888	\$ 1,056,884	

WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT K-4

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Cancelled Prior Year Accounts Payable	(Accounts Receivable) June 30, 2022	Unearned Revenue June 30, 2022	Due to Grantor June 30, 2022	Memo		
												GAAP Acct. Receivable	Total Cumulative Expenditures	
State Department of Education														
General Fund:														
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 2,230,202		\$ 2,067,679	\$ 2,230,202			\$ (162,523)					\$ 2,230,202
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	1,822,681	\$ (119,270)	119,270									
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	55,037		51,027	55,037			(4,010)					55,037
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	55,037	(3,601)	3,601									
State Aid - Public Cluster Total				(122,871)	2,241,577	2,285,239			(166,533)					2,285,239
Transportation Aid	22-495-034-5120-015	7/1/21-6/30/22	422,522		391,731	422,522			(30,791)					422,522
Transportation Aid	21-495-034-5120-015	7/1/20-6/30/21	422,522	(27,648)	27,648									
Additional Nonpublic Transportation Aid	N/A	7/1/21-6/30/22			39,298	39,298			(39,298)				\$ 39,298	39,298
Additional Nonpublic Transportation Aid	N/A	7/1/20-6/30/21	43,266	(43,266)	43,266									
Transportation Aid - Cluster Total				(70,914)	462,645	461,820			(70,089)				39,298	461,820
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	1,174,223		1,047,610	1,174,223			(1,174,223)					1,174,223
Extraordinary Special Education Costs Aid	21-495-034-5120-473	7/1/20-6/30/21	1,047,610	(1,047,610)	1,047,610									
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,894,594		1,802,499	1,894,594			(92,095)				92,095	1,894,594
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	1,819,780	(91,241)	91,241									
Security Grant - Alyssa's Law	N/A	N/A	155,581		155,581	155,581								155,581
On-Behalf TPAF Pension System Contributions (NCGI)	22-495-034-5094-007	7/1/20-6/30/21	130,496		130,496	130,496								130,496
On-Behalf TPAF Pension System Contributions (Normal Costs and Accrued Liability)	22-495-034-5094-006	7/1/20-6/30/21	9,249,414		9,249,414	9,249,414								9,249,414
On-Behalf TPAF Pension System Contributions (LTDI)	22-495-034-5094-007	7/1/20-6/30/21	3,984		3,984	3,984								3,984
On-Behalf TPAF Pension System Contributions (Post Retirement)	22-495-034-5094-001	7/1/20-6/30/21	2,191,526		2,191,526	2,191,526								2,191,526
Total General Fund				(1,332,636)	17,376,573	17,546,877			(1,502,940)				131,393	17,546,877
Special Revenue Fund:														
N.J. Nonpublic Aid:														
Auxiliary Services:														
ESL	22-100-034-5120-067	7/1/21-6/30/22	3,197		3,197	640					2,557			
Home Instruction	22-100-034-5120-067	7/1/21-6/30/22	558			558			(558)				558	558
Chapter 192 Cluster Total					3,197	1,198			(558)		2,557		558	558
Handicapped Services (Chapter 193):														
Examination & Classification	22-100-034-5120-066	7/1/21-6/30/22	49,285		49,285	29,579					19,706			29,579
Examination & Classification	21-100-034-5120-066	7/1/20-6/30/21	26,388	2,044			\$ 2,044							
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	14,415		14,415	9,560					4,855			9,560
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	10,025	4,374			4,374							
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	32,214		32,214	23,376					8,838			23,376
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	27,523	2,267			2,267							
Chapter 193 Cluster Total				8,685	95,914	62,515	8,685				33,399			62,515
Security Aid	22-100-034-5120-509	7/1/21-6/30/22	137,375		137,375	120,939					16,436			120,939
Security Aid	21-100-034-5120-509	7/1/20-6/30/21	135,625	59,039			59,039							
Technology Aid	22-100-034-5120-373	7/1/21-6/30/22	29,316		29,316	28,910								
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	41,894		41,894	40,537								
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	42,824	317			317							
Nursing Aid	22-100-034-5120-070	7/1/21-6/30/22	87,920		87,920	83,529					4,391			83,529
Nursing Aid	21-100-034-5120-070	7/1/20-6/30/21	79,050	870			870							
SDA Emergency Needs and Capital Maintenance					66,612	66,612								
Total Special Revenue Fund				68,911	462,228	404,240	68,911		(558)		58,546		558	308,078
Capital Projects Fund:														
NJEDA-SDA Grants														
High School Façade Replacement	5755-050-14-1001	7/1/13-6/30/14	1,182,636	(1,141,059)	1,182,636	41,577								1,182,636
High School Partial Roof Replacement	5755-050-14-1002	7/1/13-6/30/14	1,104,061	(907,799)	1,028,288	120,489								1,104,061
Total Capital Projects Fund /SDA Cluster Total				(2,048,858)	2,210,924	162,066								2,286,697
Debt Service Fund:														
Debt Service State Support	22-495-034-5120-075	7/1/21-6/30/22	435,928		435,928	435,928								435,928
Total Debt Service Fund					435,928	435,928								435,928
State Department of Agriculture														
Enterprise Fund:														
National School Lunch Program	22-100-010-3550-063	7/1/21-6/30/22	29,988		24,237	29,988			(5,751)				5,751	29,988
National School Lunch Program	21-100-010-3550-063	7/1/20-6/30/21	16,726	(6,385)	6,711				326				(326)	
Total Enterprise Fund				(6,385)	30,948	29,988			(5,425)				5,425	29,988
Total State Financial Assistance				(3,318,968)	20,516,601	18,579,099	68,911		(1,508,923)		58,546		137,376	20,607,568
Less: Amounts Not Subject to Single Audit and Major Program Determination														
On-Behalf TPAF Pension System Contributions (Normal Costs, Accrued Liability and NCGI)					(9,379,910)	(9,379,910)								(9,379,910)
On-Behalf TPAF Pension System Contributions (LTDI)					(3,984)	(3,984)								(3,984)
On-Behalf TPAF Pension System Contributions (Post Retirement)					(2,191,526)	(2,191,526)								(2,191,526)
Total State Financial Assistance Subject to Single Audit and Major Program Determination Calculation				\$ (3,318,968)	\$ 8,941,181	\$ 7,003,679	\$ 68,911	\$ -	\$ (1,508,923)	\$ -	\$ 58,546	\$ -	\$ 137,376	\$ 9,032,148

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Westwood Regional School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal 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 are prepared and presented using 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 basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is 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 (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The 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 a modified accrual basis with the exception of the revenue recognition of the delayed state aid payments 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 year due to the state deferral and recording of certain state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments 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 a decrease of \$173,418 for the general fund and a decrease of \$431,859 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 3,804	\$ 17,373,459	\$ 17,377,263
Special Revenue Fund	1,324,407	374,314	1,698,721
Capital Projects Fund		162,066	162,066
Debt Service Fund		435,928	435,928
Food Service Fund	<u>1,354,241</u>	<u>29,988</u>	<u>1,384,229</u>
Total Financial Assistance	<u>\$ 2,682,452</u>	<u>\$ 18,375,755</u>	<u>\$ 21,058,207</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,894,594 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$9,379,910, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,191,526 and TPAF Long-Term Disability Insurance in the amount of \$3,984 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

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

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments 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 DE MINIMIS INDIRECT COST RATE

The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Were significant deficiencies identified that were not considered to be material weakness(es) yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards Section

Internal Control over compliance:

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

2) Were significant deficiencies identified that were not considered to be material weakness(es) yes X 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 U.S. Uniform Guidance X yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553</u>	<u>221NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>National School Lunch Program</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>Coronavirus Relief and Economic Security Act (CARES - ESSER I)</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>Coronavirus Response and Relief Supplemental Act (CRRSA - ESSER II)</u>
<u>84.425U</u>	<u>S425U10027</u>	<u>American Rescue Plan - (ARP - ESSER III)</u>

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

Auditee qualified as low-risk auditee? X yes no

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

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

2) Were significant deficiencies identified that are not considered to be material weakness(es) _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? _____ yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-089	Special Education Aid
495-034-5120-084	Security Aid
495-034-5120-015	Transportation Aid

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

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

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

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Finding 2022-01

Our audit indicated that the net cash resources of the fund service enterprise fund exceeded three month's average expenditures.

Information on the Federal Program

10.553	School Breakfast Program
10.555	National School Lunch Program

Criteria or Specific Requirement

U.S. Uniform Guidance; Compliance Supplement – Child Nutrition Cluster

Condition

The net cash resources maintained in the food service enterprise fund was more than the average of three month's expenditures.

Questioned Costs

None.

Context

The net cash resources of the food service enterprise fund is \$554,739. The three month average of operating expenditures is \$390,098. This results in an excess balance of \$164,641.

Effect

The District is not in compliance with the requirements of U.S. Uniform Guidance with respect to the Child Nutrition program.

Cause

Unknown.

Recommendation

The District's net cash resources in the food service enterprise fund be reviewed to ensure the statutory maximum level is not exceeded.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

There are none.

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

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.