

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT

Woodbury Heights, New Jersey
County of Gloucester

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT

WOODBURY HEIGHTS, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by

**Woodbury Heights Borough School District
Business Office**

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INTRODUCTORY SECTION

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Woodbury Heights Elementary School District

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Woodbury Heights, NJ 08097

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Janice Grassia
Board Secretary
School Business Administrator
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Lauren K. Granate
Alternate Board Secretary
Assistant School Business Administrator
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March 10, 2023

Honorable President and
Members of the Board of Education
Woodbury Heights School District
Gloucester County, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the School District's organizational chart, and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of State and Local Governments," and the New Jersey State OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Woodbury Heights School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the School District are included in this report. The Woodbury Heights Board of Education and its school constitute the School District's reporting entity. The School District provides a full range of educational services appropriate to grade levels Kindergarten through six. These include regular, as well as special education for handicapped students.

1) REPORTING ENTITY AND ITS SERVICES (CONTINUED):

During the 2021-22 fiscal school year the School District had a resident enrollment of 247 students, which is an increase of 17 students enrolled from the previous year.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2021-2022	247	7.39%
2020-2021	230	-6.12%
2019-2020	245	4.26%
2018-2019	235	1.73%
2017-2018	231	2.21%
2016-2017	226	1.35%
2015-2016	223	0.90%
2014-2015	221	-0.45%
2013-2014	222	-3.48%
2012-2013	230	4.07%

2) ECONOMIC CONDITION AND OUTLOOK: The Borough of Woodbury Heights is experiencing a period of minimal development and little expansion. The trend is expected to continue through the short term. The Borough is also experiencing a period of moderate housing sales. The state and national economy are reflected in the employment base of the area. Municipal leaders are working diligently with Gloucester County Office of Economic Development to replace lost businesses and commercial ratables.

3) MAJOR INITIATIVES: During the most recent school years, the Woodbury Heights School staff focused on three District objectives: 1) to build capacity of all teachers in aligning their lesson plans and assessments with the Next Generation Science Standards; 2) to develop a school-wide, standardized writing plan, including common vocabulary and strategies, across all grade levels and subject areas; and 3) to increase integration of technology applications and initiatives into daily practice to improve instructional practice and student achievement. To achieve these objectives, the School District supports the following allocation of resources: professional development and release time for curriculum alignment and development in the areas of science and writing. Measures of Academic Progress (MAP) testing continues to be purchased for student benchmark assessment. The School District continues to employ the services of a technology coach to work with classroom teachers. Chrome book and iPad purchases enable students to integrate technology into every subject area.

The Board continues to focus its efforts on reducing costs to the School District and community by increasing shared services. These services are contracted through Gateway Regional High School include: business office, purchasing, cafeteria, child study team, maintenance and curriculum. This sharing of services allows the School District to enjoy a quality education program while realizing significant financial benefit.

The Board completed construction on a more secure front entrance and more space for classrooms. The additional building is being used for educational space and office space as well as creating a more secure and inviting front entrance to the School District.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the School District 4) are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control 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 awards and state financial assistance, the School District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the District Management.

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General Fund, 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 as of June 30, 2022.

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

7) DEBT ADMINISTRATION: As of June 30, 2022, the District's outstanding debt issues included \$1,905,516 of General Obligation Bonds.

8) CASH MANAGEMENT: The investment policy of the School District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 1. The School District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds through the Gloucester, Salem, and Cumberland County Joint Insurance Fund.

10) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent Certified Public Accountants, Public School accountants and advisors. The accounting firm of Holt McNally & Associates, Inc., was selected by the Woodbury Heights Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), “Audits of State and Local Governments,” and the New Jersey OMB’s Circular 15-08 “Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid.” The auditor’s report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Woodbury Heights School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

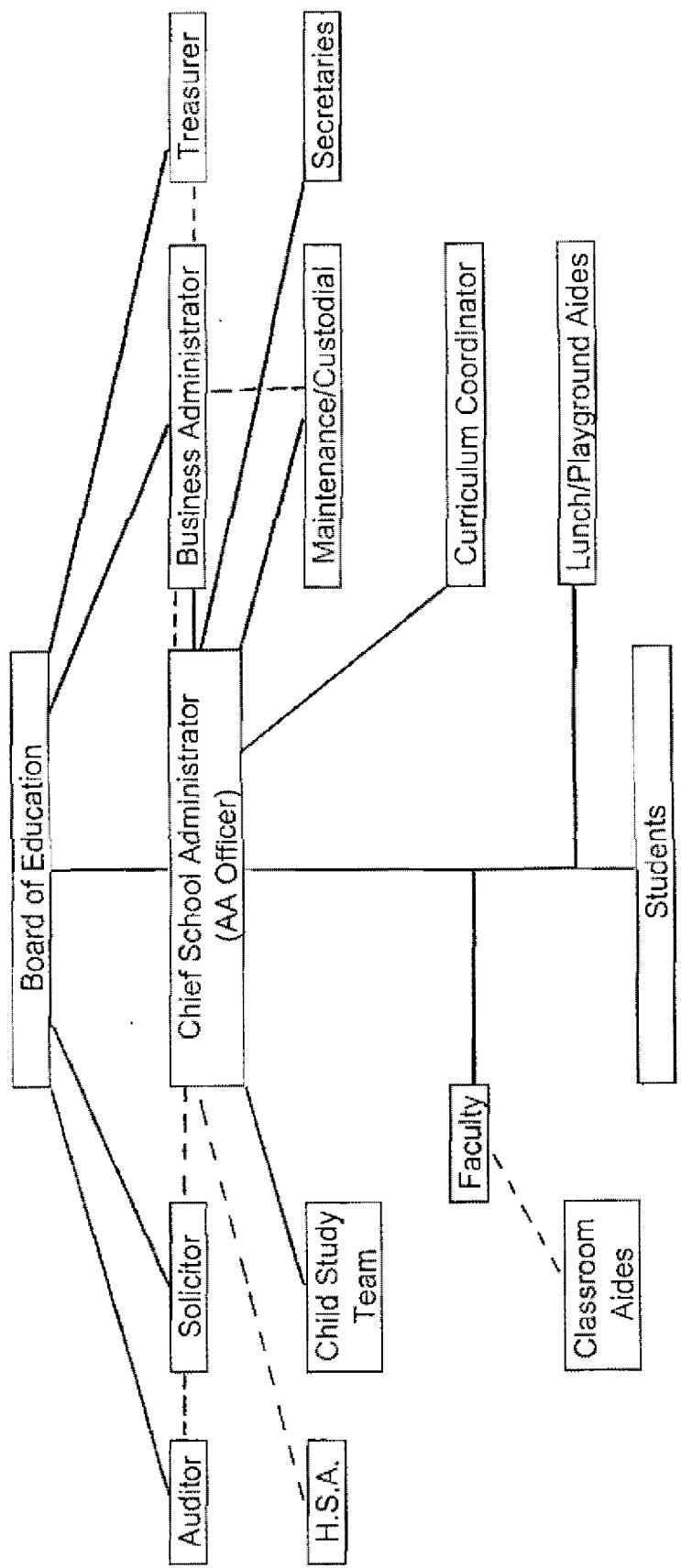
Respectfully submitted,

Christopher M. Rodia
Christopher M. Rodia
Chief School Administrator

Janice Grassia
Janice Grassia
School Business Administrator/
Board Secretary

**WOODBURY HEIGHTS BOARD OF EDUCATION
WOODBURY HEIGHTS, NEW JERSEY**

ORGANIZATIONAL CHART



Direct Responsibility _____
Cooperative Responsibility - - - - -

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
Woodbury Heights, NJ 08097

ROSTER OF OFFICIALS
JUNE 30, 2022

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

James Kelleher, President	2024
John Morris, Vice President	2023
Donnetta Beatty	2023
Jeffrey Brenner	2024
Richard Gambale	2022
Shelle McGovern	2023
Stephanie Robinson	2022

OTHER OFFICIALS

Janis Gansert, Chief School Administrator
Christopher Rodia, School Business Administrator
Charles Owens, Treasurer
Joseph F. Betley, Esquire

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
Woodbury Heights, New Jersey 08097

CONSULTANTS AND ADVISORS

AUDIT FIRM

David McNally, CPA, RMA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

SOLICITOR

Joseph F. Betley, Esq.
Capehart & Scatchard
Mount Laurel, New Jersey

OFFICIAL DEPOSITORY

1st Colonial Community Bank
Westville, NJ

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Woodbury Heights Borough School District
County of Gloucester
Woodbury Heights, New Jersey

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 Woodbury Heights Borough School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
March 10, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

The Management Discussion and Analysis (MD&A) of Woodbury Borough Heights School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended on June 30, 2022. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance. Certain comparative information between the current fiscal year (2021-2022) and the prior fiscal year (2020-2021) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022 fiscal year are as follows:

Woodbury Heights withdrew \$250,000 for capital projects bringing the total balance in the capital reserve to \$15,887 at fiscal year-end.

The overall General Fund - fund balance (budgetary basis) decreased \$191,569 from the prior fiscal year to \$1,293,143 as of June 30, 2022.

At the conclusion of the fiscal year, the district's Unassigned General Fund balance (budgetary basis) was \$280,300. The State of New Jersey limits the amount of unassigned fund balance to 4% of the adjusted general fund expenditures plus certain allowable adjustments. The amount of unassigned fund balance at the end of the current year is at the maximum allowed.

The amount of unassigned general fund balance in the School District's general fund on a GAAP basis was \$168,325. The difference between the budgetary basis and the GAAP basis is the final two State aid payments in the amount of \$111,975 which was recognized as revenue on a budgetary basis but not on a GAAP basis.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Woodbury Heights Borough School District as a financial whole, an entire operating entity. Required supplementary information and other supplementary information proceed to provide an increasingly detailed look at specific financial activities.

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing of service that can be provided by the governmental along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

Using this Annual Comprehensive Financial Report (ACFR) (continued)

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District’s finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Woodbury Heights Borough School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Government-Wide Financial Statements

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

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

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

- ◆ Governmental Activities – All of the School District’s programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities and pupil transportation.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis in order to recover all the expenses of the goods or services provided. The Project Safekeep, enterprise fund is reported as business activities.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. The School District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Project Fund, and Debt Service Fund.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

Governmental Funds

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

Proprietary Funds

The School District maintains one proprietary fund type, enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs of providing goods or services be financed through user charges. The project safekeep enterprise fund provides for the operation of childcare services in the School District's elementary school. The proprietary fund has been included within the business-type activities in the government-wide financial statements.

Notes to the Financial Statements

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government's financial position.

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

Table 1 provides a summary of the School District's net position for fiscal year 2022 compared to fiscal year 2021.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

The School District as a Whole (continued)

**Table 1
Summary of Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 1,533,551	\$ 2,313,992	\$ (780,441)	-33.7%
Capital Assets, Net	<u>2,477,355</u>	<u>1,649,753</u>	<u>827,602</u>	50.2%
Total Assets	<u>4,010,906</u>	<u>3,963,745</u>	<u>47,161</u>	1.2%
Deferred Outflow of Resources	<u>67,752</u>	<u>117,824</u>	<u>(50,072)</u>	-42.5%
Current and other Liabilities	144,791	146,412	(1,621)	-1.1%
Noncurrent Liabilities	<u>2,282,431</u>	<u>2,444,800</u>	<u>(162,369)</u>	-6.6%
Total Liabilities	<u>2,427,222</u>	<u>2,591,212</u>	<u>(163,990)</u>	-6.3%
Deferred Inflow of Resources	<u>194,392</u>	<u>206,835</u>	<u>(12,443)</u>	-6.0%
Net Position:				
Net Investment in Capital Assets	544,302	(327,299)	871,601	-266.3%
Restricted	1,188,109	1,970,291	(782,182)	-39.7%
Unrestricted (Deficit)	<u>(275,367)</u>	<u>(359,470)</u>	<u>84,103</u>	-23.4%
Total Net Position	<u>\$ 1,457,044</u>	<u>\$ 1,283,522</u>	<u>\$ 173,522</u>	13.5%

The School District's combined net position was \$1,457,044 on June 30, 2022. This was an increase of \$173,522 or 13.5% from the prior year. For both the Governmental and Business-Type activities, the largest component of net position is Restricted Net Position. Below are explanations for the large fluctuations from prior to current year:

- The increase in net investment in capital assets is primarily due to ongoing capital projects.
- The decrease in Restricted Net Position of \$782,182, or 39.7%, is primarily due to capital project expenditures in the current year.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

The School District as a Whole (continued)

Table 2 provides a summary of the School District's changes in net position for fiscal year 2022 compared to fiscal year 2021.

**Table 2
Summary of Changes in Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ -	\$ 6,536	\$ (6,536)	100.0%
Operating Grants & Contributions	1,639,949	1,998,600	(358,651)	-17.9%
General Revenues:				
Property Taxes	2,983,948	2,871,206	112,742	3.9%
Federal & State Aid	1,214,609	1,655,425	(440,816)	-26.6%
Other General Revenues	37,473	32,203	5,270	16.4%
Total Revenues	<u>5,875,979</u>	<u>6,563,970</u>	<u>(687,991)</u>	-10.5%
Function/Program Expenses:				
Regular Instruction	1,461,262	1,399,248	62,014	4.4%
Special Education Instruction	902,561	763,647	138,914	18.2%
Other Instruction	151,829	180,984	(29,155)	-16.1%
Student & Instruction Related Services	839,939	744,290	95,649	12.9%
General Administrative	194,009	198,983	(4,974)	-2.5%
School Administrative Services	47,855	46,292	1,563	3.4%
Central Services	97,678	87,288	10,390	11.9%
Plant Operations & Maintenance	261,923	194,947	66,976	34.4%
Pupil Transportation	119,637	117,806	1,831	1.6%
Unallocated Benefits	1,169,075	2,594,485	(1,425,410)	-54.9%
On Behalf TPAF Pension and Social				
Security Contributions	317,874	-	317,874	100.0%
Interest & Other Charges	87,076	43,443	43,633	100.4%
Capital Outlay and Adjustments	-	20,806	(20,806)	-100.0%
Unallocated Depreciation	51,739	49,847	1,892	3.8%
Project Safekeep	-	937	(937)	-100.0%
Total Expenses	<u>5,702,457</u>	<u>6,443,003</u>	<u>(740,546)</u>	-11.5%
Change In Net Position	173,522	120,967	52,555	43.4%
Net Position - Beginning	<u>1,283,522</u>	<u>1,162,555</u>	<u>120,967</u>	
Net Position - Ending	<u>\$ 1,457,044</u>	<u>\$ 1,283,522</u>	<u>\$ 173,522</u>	13.5%

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

Governmental Activities

During the fiscal year 2022, the net position of governmental activities increased by \$173,522.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$1,424,942, with an unrestricted deficit balance of \$307,469. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 4% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3
GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(307,469)
Add back: PERS Pension Liability		293,220
Less: Deferred Outflows related to pensions		(67,752)
Add back: Deferred Inflows related to pensions		<u>194,392</u>
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	<u>112,391</u>

The School District's Funds

The School District's major funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenues of \$5,925,923 and expenditures of \$6,728,164.

General Fund Budgeting Highlights

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

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

The General Fund expenditures exceeded the revenues and other financing sources of the School District for the year by \$210,911.

Capital Assets

At the end of the fiscal year 2022, the School District had \$2,477,355 invested in buildings, improvements and equipment.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
WOODBURY HEIGHTS, NJ**

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

Capital Assets (continued) Table 4 shows fiscal 2022 balances compared to 2021.

**Table 4
Summary of Capital Assets**

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Construction in Progress	\$ 1,957,823	\$ 1,246,174	\$ 711,649	57.1%
Building and Improvements	466,549	372,298	94,251	25.3%
Equipment	52,983	31,282	21,701	69.4%
	<u>\$ 2,477,355</u>	<u>\$ 1,649,754</u>	<u>\$ 827,601</u>	50.2%

Debt Administration

At the end of the current fiscal year, the School District had total bonded debt outstanding of \$1,905,516 which is decrease of \$30,000 from the prior year. Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

The other largest component of the School District’s long-term debt is the net pension liability related to PERS. During fiscal year 2022 the net pension liability decreased \$107,179 to \$293,220. The \$293,220 is the net pension liability as of the June 30, 2021 measurement date. More information on Pensions can be found in Note 8 of this report.

For the Future

This administration and Board of Education fully understands the dynamics of strategic thinking and have established a collaborative decision-making process that incorporates a deliberate approach to strategic planning initiatives. Resources are evaluated, needs assessed, and progress measured. Key decisions are examined in scenario-based discussions and final goals are established after consideration from all stakeholders.

The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the School District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is uncertain.

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

Requests for Information

This financial report is designed to provide a general overview of the Woodbury Heights Borough School District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary, Janice Grassia, located at 100 Academy Avenue, Woodbury Heights New Jersey 08097. Please visit our website at: www.woodburyhtselem.com.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 1,249,415	\$ 32,102	\$ 1,281,517
Receivables, Net (Note 4)	236,147	-	236,147
Restricted Cash and Cash Equivalents	15,887	-	15,887
Capital Assets, Net (Note 5)			
Non-depreciable	1,957,823	-	1,957,823
Assets net of depreciation	519,532	-	519,532
	<hr/>	<hr/>	<hr/>
Total Assets	3,978,804	32,102	4,010,906
DEFERED OUTFLOW OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	67,752	-	67,752
	<hr/>	<hr/>	<hr/>
Total Deferred Outflow of Resources	67,752	-	67,752
	<hr/>	<hr/>	<hr/>
Total Assets and Deferred Outflow of Resources	4,046,556	32,102	4,078,658
LIABILITIES			
Due to Other Governments	23,343	-	23,343
Accounts Payable	84,072	-	84,072
Intergovernmental payable - State	11,741	-	11,741
Payroll Taxes Payable	5,331	-	5,331
Unearned Revenue	2,159	-	2,159
Accrued Interest Payable	18,145	-	18,145
Noncurrent Liabilities (Note 7):			
Due Within One Year	129,442	-	129,442
Due Beyond One Year	2,152,989	-	2,152,989
	<hr/>	<hr/>	<hr/>
Total Liabilities	2,427,222	-	2,427,222
DEFERED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	194,392	-	194,392
	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	194,392	-	194,392
	<hr/>	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	2,621,614	-	2,621,614
NET POSITION			
Net Investment in Capital Assets	544,302	-	544,302
Restricted For:			
Capital Projects	171,837	-	171,837
Debt Service	37,164	-	37,164
Excess Surplus	955,244	-	955,244
Student Activities	23,864	-	23,864
Unrestricted	(307,469)	32,102	(275,367)
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 1,424,942	\$ 32,102	\$ 1,457,044

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 1,461,262	\$ -	\$ 478,892	\$ (982,370)	\$ -	\$ (982,370)
Special Education Instruction	902,561	-	-	(902,561)	-	(902,561)
Other Instruction	132,238	-	-	(132,238)	-	(132,238)
School Sponsored Activities	19,591	-	-	(19,591)	-	(19,591)
Support Services & Undistributed Costs:						
Student & Instruction Related Services	839,939	-	209,222	(630,717)	-	(630,717)
General Administrative Services	194,009	-	-	(194,009)	-	(194,009)
School Administrative Services	47,855	-	-	(47,855)	-	(47,855)
Central Services	97,678	-	-	(97,678)	-	(97,678)
Plant Operations & Maintenance	261,923	-	-	(261,923)	-	(261,923)
Pupil Transportation	119,637	-	-	(119,637)	-	(119,637)
Unallocated Benefits	1,169,075	-	626,730	(542,345)	-	(542,345)
On Behalf TPAF Pension and Social Security Contribution	317,874	-	317,874	-	-	-
Interest and Other Changes on Long-Term Debt	87,076	-	7,231	(79,845)	-	(79,845)
Unallocated Depreciation	51,739	-	-	(51,739)	-	(51,739)
Total Governmental Activities	\$ 5,702,457	\$ -	\$ 1,639,949	\$ (4,062,508)	\$ -	\$ (4,062,508)
Business-type activities						
Project Safekeep	-	-	-	-	-	-
Total Primary Government	\$ 5,702,457	\$ -	\$ 1,639,949	\$ (4,062,508)	\$ -	\$ (4,062,508)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				2,895,962	-	2,895,962
Property Taxes Levied for Debt Service				87,986	-	87,986
Federal & State Aid Not Restricted				1,214,609	-	1,214,609
Tuition - From Individuals and Other LEA's				34,353	-	34,353
Interest on Capital Reserve				1	-	1
Miscellaneous Income				3,119	-	3,119
Total General Revenues & Transfers				4,236,030	-	4,236,030
Change In Net Position				173,522	-	173,522
Net Position - July 1				1,251,420	32,102	1,283,522
Net Position - Ending				\$ 1,424,942	\$ 32,102	\$ 1,457,044

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

B. Fund Financial Statements

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Governmental Funds

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECT FUND	DEBT SERVICE FUND	TOTALS
Assets:					
Cash & Cash Equivalents	\$ 1,140,341	\$ -	\$ 157,429	\$ 37,164	\$ 1,334,934
Accounts Receivable:					
Federal Aid	-	158,705	-	-	158,705
State Aid	37,065	-	-	-	37,065
Other	40,377	-	-	-	40,377
Interfund Receivable	-	4,468	-	-	4,468
Restricted Cash & Cash Equivalents	15,887	-	-	-	15,887
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,233,670</u>	<u>\$ 163,173</u>	<u>\$ 157,429</u>	<u>\$ 37,164</u>	<u>\$ 1,591,436</u>
Liabilities & Fund Balances:					
Liabilities:					
Cash Deficit	-	85,519	-	-	85,519
Accounts Payable	42,703	39,890	1,479	-	84,072
Intergovernment Payable - State	-	11,741	-	-	11,741
Payroll Taxes Payable	5,331	-	-	-	5,331
Unearned Revenue	-	2,159	-	-	2,159
Interfund Payable	4,468	-	-	-	4,468
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>52,502</u>	<u>139,309</u>	<u>1,479</u>	<u>-</u>	<u>193,290</u>
Fund Balances:					
Restricted for:					
Capital Reserve Account	15,887	-	-	-	15,887
Excess Surplus	504,470	-	-	-	504,470
Excess Surplus Designated for Subsequent Year's Expenditures	450,774	-	-	-	450,774
Student Activities	-	23,864	-	-	23,864
Capital Projects	-	-	155,950	-	155,950
Debt Service Fund	-	-	-	37,164	37,164
Assigned to:					
Designated for Subsequent Year's Expenditures	37,550	-	-	-	37,550
Year-end encumbrances	4,162	-	-	-	4,162
Unassigned:					
General Fund	168,325	-	-	-	168,325
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>1,181,168</u>	<u>23,864</u>	<u>155,950</u>	<u>37,164</u>	<u>1,398,146</u>
Total Liabilities & Fund Balances	<u>\$ 1,233,670</u>	<u>\$ 163,173</u>	<u>\$ 157,429</u>	<u>\$ 37,164</u>	
Amounts reported for <i>Governmental Activities</i> in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$4,205,395 and the accumulated depreciation is \$1,728,040.					
					2,477,355
Accrued interest payable is not recorded in the fund financials due to the fact that payables are not due in the current period.					
					(18,145)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.					
					67,752
					(194,392)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					
					(23,343)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 7).					
					<u>(2,282,431)</u>
Net Position of Governmental Activities					<u>\$ 1,424,942</u>

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2022

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECT FUND	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,895,962	\$ -	-	\$ 87,986	\$ 2,983,948
Tuition From Individuals	34,353	-	-	-	34,353
Interest on Capital Reserve	1	-	-	-	1
Miscellaneous	3,119	16,398	-	-	19,517
Total Revenues - Local Sources	<u>2,933,435</u>	<u>16,398</u>	<u>-</u>	<u>87,986</u>	<u>3,037,819</u>
State Sources	2,180,692	333,299	-	7,231	2,521,222
Federal Sources	-	366,882	-	-	366,882
Total Revenues	<u>5,114,127</u>	<u>716,579</u>	<u>-</u>	<u>95,217</u>	<u>5,925,923</u>
Expenditures:					
Current Expense:					
Regular Instruction	1,505,261	-	-	-	1,505,261
Special Education Instruction	423,669	478,892	-	-	902,561
Other Instruction	132,238	-	-	-	132,238
School Sponsored Activities	19,591	-	-	-	19,591
Support Services & Undistributed Costs:					
Student & Instruction Related Services	633,034	206,905	-	-	839,939
General Administrative Services	194,009	-	-	-	194,009
School Administrative Services	47,855	-	-	-	47,855
Central Services	97,678	-	-	-	97,678
Plant Operations & Maintenance	261,923	-	-	-	261,923
Pupil Transportation	118,596	-	-	-	118,596
Unallocated Benefits	1,594,813	-	-	-	1,594,813
Capital Outlay	-	28,465	850,876	-	879,341
Debt Service:					
Principal	45,876	-	-	30,000	75,876
Interest & Other Charges	495	-	-	57,988	58,483
Total Expenditures	<u>5,075,038</u>	<u>714,262</u>	<u>850,876</u>	<u>87,988</u>	<u>6,728,164</u>
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	<u>39,089</u>	<u>2,317</u>	<u>(850,876)</u>	<u>7,229</u>	<u>(802,241)</u>
Other Financing Sources/(Uses):					
Capital Reserves to Capital Projects	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/(Uses)	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(210,911)</u>	<u>2,317</u>	<u>(600,876)</u>	<u>7,229</u>	<u>(802,241)</u>
Fund Balances, July 1	<u>1,392,079</u>	<u>21,547</u>	<u>756,826</u>	<u>29,935</u>	<u>2,200,387</u>
Fund Balances, June 30	<u>\$ 1,181,168</u>	<u>\$ 23,864</u>	<u>\$ 155,950</u>	<u>\$ 37,164</u>	<u>\$ 1,398,146</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$	(802,241)
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Capital Outlays	\$	879,341	
Depreciation Expense		<u>(51,739)</u>	827,602

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.	75,194
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Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Bond Principal Payments	30,000
Financed Purchase Principal Payments	13,999

Net Difference Accrued interest on bonds and loans are not recorded in fund financial statements

Prior year	35,922
Current Year	(18,145)

(Increase)/Decrease in accrual for compensated absences	<u>11,191</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 173,522</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

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Proprietary Funds

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

ASSETS	BUSINESS-TYPE ACTIVITIES	
	ENTERPRISE FUNDS	
	PROJECT SAFEKEEP	TOTALS
Cash & Cash Equivalents	\$ 32,102	\$ 32,102
Total Assets	32,102	32,102
NET POSITION		
Unrestricted	32,102	32,102
Total Net Position	\$ 32,102	\$ 32,102

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	<u>PROJECT</u>		TOTALS
	SAFEKEEP		
Total Net Position - Beginning	\$	32,102	\$ 32,102
Total Net Position - Ending	\$	32,102	\$ 32,102

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	PROJECT SAFEKEEP		TOTALS
Balances - Beginning of Year	\$ 32,102	\$	32,102
Balances - Ending of Year	\$ 32,102	\$	32,102

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

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The Woodbury Heights Borough School District (hereafter referred to as the “School District”) is a Type II School District located in the County of Gloucester, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades kindergarten through six.

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

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

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

Component Units

GASB Statement No.14. *The Financial Reporting Entity* provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, and GASB 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14* and GASB Statement No. 90 – *Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61*. The School District had no component units as of or for the year ended June 30, 2022.

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Basis of Accounting, Measurement Focus and Financial Statement Presentation

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

Government-Wide Financial Statements

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

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

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The School District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending, or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges 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 taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the School District’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements.

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as 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 School District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements 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 (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed. The School District does not maintain any proprietary funds.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

The School District reports the following major governmental funds:

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

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

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

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

During the course of operations, the School District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

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

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2022 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore, those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Capital Assets (continued)

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Interfund Activity

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

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the School District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2022.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 87, Leases. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. The District has evaluated the effects of GASB Statement No. 87 and has determined the provisions of this Statement do not need to be applied due to the immaterial effect on the government-wide financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 96, Subscription-Based Information Technology Arrangements. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 101, Compensated Absences. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

Bond Premiums, Discounts and Issuance Costs

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 2. Deposits and Investments (continued)

in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the District's bank balance of \$1,609,241 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	1,585,379
Uninsured and Uncollateralized		23,862
		\$ 1,609,241

Investments

The School District had no investments as of June 30, 2022.

Note 3. Reserve Accounts

Capital Reserve

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

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

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

Beginning Balance, July 1, 2021	\$	265,886
Increased by:		
Interest Earnings		1
		265,887
Decreased by:		
Budget Withdrawals		(250,000)
Ending Balance, June 30, 2022		\$ 15,887

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 4. Accounts Receivable

Accounts receivable as of June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>		<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	
Federal Awards	\$ -	\$ 158,705	\$ 158,705
State Awards	37,065	-	37,065
Other	40,377	-	40,377
Total	\$ 77,442	\$ 158,705	\$ 236,147

Note 5. Capital Assets

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

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2022</u>
Governmental Activities:				
Capital assets not being depreciated:				
Construction in Progress	\$ 1,246,174	\$ 711,649	\$ -	\$ 1,957,823
Total Capital Assets not being depreciated	1,246,174	711,649	-	1,957,823
Capital Assets being depreciated:				
Site Improvements	\$ 15,802	\$ -	\$ -	\$ 15,802
Buildings and Improvements	1,723,908	139,227	-	1,863,135
Machinery & Equipment	340,170	28,465	-	368,635
Total Capital Assets being depreciated	2,079,880	167,692	-	2,247,572
Less: Accumulated Depreciation:				
Site Improvements	(15,802)	-	-	(15,802)
Buildings and Improvements	(1,351,610)	(44,976)	-	(1,396,586)
Machinery & Equipment	(308,888)	(6,764)	-	(315,652)
Total Accumulated Depreciation	(1,676,300)	(51,740)	-	(1,728,040)
Total Capital Assets being depreciated, net	403,580	115,952	-	519,532
Total Governmental Activities Capital Assets, net	\$ 1,649,754	\$ 827,601	\$ -	\$ 2,477,355

Depreciation expense was not allocated among the various functions/programs of the School District.

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 6. Interfund Receivables, Payables and Transfers

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

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 4,468
Special Revenue Fund	4,468	-
	<u>\$ 4,468</u>	<u>\$ 4,468</u>

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

There were interfund transfers for the year ended June 30, 2022 as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects Fund	\$ 250,000	\$ -
General Fund	-	250,000
	<u>\$ 250,000</u>	<u>\$ 250,000</u>

Note 7. Long-Term Obligations

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

	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2022</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 1,935,516	\$ -	\$ 30,000	\$ 1,905,516	\$ 118,000
Financed Purchases	41,536	-	13,999	27,537	11,442
Compensated Absences	67,349	-	11,191	56,158	-
Net Pension Liability	400,399	-	107,179	293,220	-
	<u>\$ 2,444,800</u>	<u>\$ -</u>	<u>\$ 162,369</u>	<u>\$ 2,282,431</u>	<u>\$ 129,442</u>

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

Bonds Payable

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 7. Long-Term Obligations (continued):

On March 1, 2011, the School District issued \$377,516 General Obligation Refunding Bonds payable in annual installments through March 1, 2026. Interest is paid semi-annually at the rate of 3.85% per annum. The balance remaining at June 30, 2022, was \$127,516.

On July 16, 2020, the School District issued \$1,778,000 General Obligation Bonds payable in annual installments through July 15, 2035. Interest is paid semi-annually at an interest rate of 2%. The balance remaining at June 30, 2022, was \$1,778,000.

Principal and interest due on the outstanding bonds is as follows:

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 118,000	\$ 34,240	\$ 152,240
2024	130,000	32,800	162,800
2025	133,000	30,800	163,800
2026	144,516	28,700	173,216
2027	115,000	26,450	141,450
2028-2032	640,000	95,200	735,200
2033-2036	625,000	25,850	650,850
	<u>\$ 1,905,516</u>	<u>\$ 274,040</u>	<u>\$ 2,179,556</u>

Financed Purchases

In December 2019, the School District entered into an energy efficiency program lease purchase agreement for \$35,474. The lease obligation was issued with an interest rate of 0% and matures in February 2025.

In August 2020, the School District entered into a lease purchase agreement for \$18,002. The lease obligation was issued with an interest rate of 6.5% and matures in August 2023.

In October 2020, the School District entered into a lease purchase agreement for \$2,804. The lease obligation was issued with an interest rate of 6.5% and matures in August 2023.

The following is a schedule of future minimum lease payments under financed purchases as of June 30, 2022:

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 14,442	\$ 330	\$ 14,772
2024	8,365	10	8,375
2025	4,730	-	4,730
	<u>\$ 27,537</u>	<u>\$ 340</u>	<u>\$ 27,877</u>

Bonds Authorized but not Issued

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2022, the School District reported a liability of \$293,220 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.002475%, which was an increase of 0.000019% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense of (\$46,207) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 4,624	\$ 2,099
Changes of Assumptions	1,527	104,388
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	77,242
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	38,258	10,663
School District Contributions Subsequent to Measurement Date	23,343	-
	\$ 67,752	\$ 194,392

\$23,343 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Year Ending <u>Dec 31.</u>	<u>Amount</u>
2022	\$ (58,436)
2023	(41,723)
2024	(28,448)
2025	(21,384)
2026	8
	\$ (149,983)

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

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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

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

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 403,563	\$ 293,220	\$ 205,357

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.002475%	0.002455%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. 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 fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$7,613,445. The School District's proportionate share was \$-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.015836%, which was a decrease of 0.001007% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the School District recognized \$179,148 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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

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

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 8. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	9,007,977	7,613,445	6,442,126
	<u>\$ 9,007,977</u>	<u>\$ 7,613,445</u>	<u>\$ 6,442,126</u>

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

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

Balances at June 30, 2022 and June 30, 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,458,228
Collective Deferred Inflows of Resources	27,363,797,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.01584%	0.01684%

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

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

Total Nonemployer OPEB Liability: \$ 60,007,650,970

Inflation Rate: 2.50%

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 9. Other Post-Retirement Benefits (continued):

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$11,688,075. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.019477%, which was an increase of 0.00043% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$626,539 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

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 4.50% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to 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.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 14,000,479	\$ 11,688,075	\$ 9,867,196
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

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

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

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 9,461,535	\$ 11,688,075	\$ 14,678,154
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

* See Healthcare Cost Trend Assumptions for details of rates.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Additional Information

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

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

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

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

Fiscal Year Ending June 30,		
2022	\$	(1,182,303,041)
2023		(1,182,303,041)
2024		(1,182,303,041)
2025		(1,182,303,041)
2026		(840,601,200)
Thereafter		347,612,410
	\$	(5,222,200,954)

Plan Membership

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

	June 30, 2020
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
	364,328

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)**

Note 9. Other Post-Retirement Benefits (continued):

Total OPEB Liability

Service Cost	\$	3,217,184,264
Interest Cost		1,556,661,679
Difference Between Expected & Actual Experience		(11,385,071,658)
Changes of Benefit Terms		(63,870,842)
Changes of Assumptions		59,202,105
Contributions: Member		39,796,196
Gross Benefit Payments		(1,226,213,382)
Net Change in Total OPEB Liability		(7,802,311,638)
Total OPEB Liability (Beginning)		67,809,962,608
Total OPEB Liability (Ending)	\$	60,007,650,970
Total Covered Employee Payroll	\$	14,425,669,769
Net OPEB Liability as a Percentage of Payroll		415.98%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs, post-retirement medical costs and non-contributory insurance costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for normal costs, post-retirement medical costs, non-contributory insurance costs and social security were \$670,508, \$156,658, \$191, and \$138,726 respectively.

Note 11. Risk Management

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

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

Note 12. Contingencies

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 12. Contingencies (Continued)

Litigation – The School District is not a defendant in any lawsuits. It is the opinion of the School Districts’ attorney that no contingent liability exists that would have a material adverse effect on the financial condition of the School District.

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

Note 13. Deferred Compensation

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

Lincoln Investment Planning	Syracusa	Equi-Vest	AXA Equitable
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Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$56,158 and \$0-, respectively.

Note 15. Tax Abatements

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (continued)

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was \$504,470.

Note 17. Fund Balances

General Fund – Of the \$1,181,168 General Fund - Fund balance at June 30, 2022, \$15,887 has been restricted for the Capital Reserve Account; \$504,470 has been restricted for current year Excess Surplus; \$450,774 has been restricted for Excess Surplus Designated for Subsequent Year's Expenditure; \$37,550 has been assigned and included as anticipated revenue for the year ending June 30, 2023; \$4,162 is assigned for year-end encumbrances and \$168,325 has been unassigned.

Special Revenue Fund – Of the \$23,864 Special Revenue Fund balance at June 30, 2022, \$23,864 is restricted for future student activities.

Capital Projects Fund – Of the \$155,950 Capital Projects Fund balance at June 30, 2022, \$155,950 is restricted for future Capital Projects.

Debt Service Fund – Of the \$37,164 Debt Service Fund balance at June 30, 2022, \$37,164 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$307,469 at June 30, 2022. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2022.

Note 19. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and March 10, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 2,895,962	\$ -	\$ 2,895,962	\$ 2,895,962	\$ -
Tuition From Individuals	10-1310	13,200	-	13,200	34,353	21,153
Interest Earned on Capital Reserve	10-1xxx	1	-	1	1	-
Miscellaneous	10-1xxx	3,000	-	3,000	3,119	119
Total Local Sources		2,912,163	-	2,912,163	2,933,435	21,272
State Sources:						
Categorical Special Education Aid	10-3132	134,019	-	134,019	134,019	-
Equalization Aid	10-3176	1,065,680	-	1,065,680	1,065,680	-
Categorical Security Aid	10-3177	3,952	-	3,952	3,952	-
Extraordinary Aid	10-3131	-	-	-	29,140	29,140
Nonpublic Transportation Aid	10-3xxx	-	-	-	1,160	1,160
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	670,508	670,508
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	156,658	156,658
On-Behalf TPAF Long-Term Disability Insurance Contribution		-	-	-	191	191
Reimbursed TPAF Social Security		-	-	-	138,726	138,726
Total State Sources		1,203,651	-	1,203,651	2,200,034	996,383
Total Revenues		4,115,814	-	4,115,814	5,133,469	1,017,655
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	161,751	13,666	175,417	165,026	10,391
Grades 1 - 5	11-120-100-101	990,674	17,460	1,008,134	991,138	16,996
Grades 6 - 8	11-130-100-101	231,199	(4,162)	227,037	226,640	397
Home Instruction - Regular	11-150-100-101	2,000	2,450	4,450	744	3,706
Regular Programs - Undistributed Instruction:						
Purchased Technical Services	11-190-100-340	22,500	(14,440)	8,060	5,586	2,474
Other Purchased Services	11-190-100-500	32,000	(18,042)	13,958	12,760	1,198
General Supplies	11-190-100-610	69,000	23,315	92,315	81,269	11,046
Textbooks	11-190-100-640	19,000	(340)	18,660	17,706	954
Other Objects	11-190-100-800	4,500	855	5,355	4,392	963
Total Regular Programs		1,532,624	20,762	1,553,386	1,505,261	48,125
Special Education:						
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	216,296	30,931	247,227	247,226	1
Other Salaries for Instruction	11-213-100-106	123,149	18,686	141,835	127,488	14,347
Purchased Technical Services	11-213-100-340	750	(102)	648	648	-
General Supplies	11-213-100-610	1,000	80	1,080	1,072	8
Textbooks	11-213-100-640	1,000	(421)	579	550	29
Total Resource Room/Resource Center		342,195	49,174	391,369	376,984	14,385

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Preschool Disabilities - Part Time:						
Salaries of Teachers	11-215-100-101	40,170	2,524	42,694	42,693	1
Other Salaries for Instruction	11-215-100-106	15,000	(14,950)	50	47	3
Purchased Professional - Education Services	11-215-100-320	-	3,687	3,687	3,687	-
General Supplies	11-215-100-610	1,000	(733)	267	258	9
Total Preschool Disabilities - Part-Time		56,170	(9,472)	46,698	46,685	13
Total Special Education		398,365	39,702	438,067	423,669	14,398
Basic skills/remedial instruction:						
Salaries of Teachers	11-230-100-101	188,777	(3,992)	184,785	131,512	53,273
Other Purchased Services	11-230-100-500	500	(180)	320	-	320
General Supplies	11-230-100-610	2,000	(1,200)	800	726	74
Textbooks	11-230-100-640	1,000	(1,000)	-	-	-
Total Basic Skills/Remedial Instruction		192,277	(6,372)	185,905	132,238	53,667
School Sponsored Cocurricular Activities & Athletics:						
Salaries	11-401-100-100	20,000	-	20,000	19,144	856
Supplies and Materials	11-401-100-600	700	-	700	447	253
Total School Sponsored Cocurricular - Activities & Athletics		20,700	-	20,700	19,591	1,109
Total - Instruction		2,143,966	54,092	2,198,058	2,080,759	117,299
Undistributed Expenditures:						
Instruction:						
Tuition to other LEA's within the state - regular	11-000-100-561	-	-	-	-	-
Tuition to other LEA's within the state - special	11-000-100-562	127,900	(6,000)	121,900	120,718	1,182
Tuition to CSSD & Regional Day Schools	11-000-100-565	90,900	15,870	106,770	106,770	-
Tuition to Private Schools for Disabled Within the State - Special	11-000-100-566	52,280	14,043	66,323	64,685	1,638
Total Instruction		271,080	23,913	294,993	292,173	2,820
Attendance & Social Work Services:						
Salaries	11-000-211-100	22,759	2,450	25,209	25,209	-
Purchased Professional & Technical Services	11-000-211-300	10,000	(2,450)	7,550	3,000	4,550
Supplies and Materials	11-000-211-610	250	-	250	-	250
Total Attendance Services		33,009	-	33,009	28,209	4,800
Health Services:						
Salaries	11-000-213-100	62,666	(1,687)	60,979	56,550	4,429
Purchased Professional & Technical Services	11-000-213-300	2,000	957	2,957	975	1,982
Purchased Technical Services	11-000-213-340	-	-	-	-	-
Other Purchased Services	11-000-213-500	200	(30)	170	53	117
Supplies and Materials	11-000-213-600	3,000	760	3,760	3,758	2
Total Health Services		67,866	-	67,866	61,336	6,530
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	91,008	(448)	90,560	89,383	1,177
Purchased Professional - Educational Services	11-000-216-320	40,000	(12,055)	27,945	24,650	3,295
Supplies and Materials	11-000-216-600	750	-	750	191	559
Total Other Support Services - Students - Regular		131,758	(12,503)	119,255	114,224	5,031
Other Support Services - Students - Extra Services:						
Purchased Professional & Educational Services	11-000-217-320	40,000	(39,487)	513	-	513
Supplies and Materials	11-000-217-600	-	1,800	1,800	684	1,116
Total Other Support Services - Students - Extra Services		40,000	(37,687)	2,313	684	1,629

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Other Support Services - Students - Related Services:						
Salaries Other Professional Staff	11-000-218-104	52,805	(20,913)	31,892	31,383	509
Purchased Professional & Educational Services	11-000-218-320	2,000	-	2,000	-	2,000
Other Professional Technical Services	11-000-218-390	1,000	-	1,000	-	1,000
Purchased Professional & Educational Services	11-000-218-500	500	-	500	151	349
Supplies & Materials	11-000-218-600	500	-	500	258	242
Total Other Support Services-Students-Related Services		56,805	(20,913)	35,892	31,792	4,100
Other Support Services - Students - Special Services:						
Other Purchased Professional & Educational Services	11-000-219-320	89,000	-	89,000	81,071	7,929
Total Other Support Services-Students-Special Services		89,000	-	89,000	81,071	7,929
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Purchases Professional & Educational Services	11-000-221-320	50,000	(5,000)	45,000	2,400	42,600
Other Professional Technical Services	11-000-221-390	5,000	-	5,000	4,014	986
Other Purchased Services	11-000-221-600	11,000	-	11,000	11,000	-
Total Improvement of Instruction Services/Other Support Services Instructional Staff		66,000	(5,000)	61,000	17,414	43,586
Educational Media Services/School Library:						
Salaries	11-000-222-100	-	585	585	585	-
Purchases Professional & Educational Services	11-000-222-300	500	-	500	-	500
Supplies and Materials	11-000-222-600	12,000	-	12,000	4,346	7,654
Total Educational Media Services/School Library		12,500	585	13,085	4,931	8,154
Instructional Staff Training Services:						
Other Purchased Services	11-000-223-500	8,550	(585)	7,965	-	7,965
Supplies and Materials	11-000-223-600	5,000	-	5,000	1,200	3,800
Total Instructional Staff Training Services		13,550	(585)	12,965	1,200	11,765
Support Services General Administration:						
Salaries	11-000-230-100	136,060	5,875	141,935	141,884	51
Legal Services	11-000-230-331	10,000	(8,375)	1,625	1,134	491
Audit Fees	11-000-230-332	13,000	8,000	21,000	21,000	-
Other Purchased Professional Services	11-000-230-339	15,000	(9,050)	5,950	2,422	3,528
Purchased Technical Services	11-000-230-340	-	405	405	404	1
Communications/Telephone	11-000-230-530	20,000	-	20,000	6,571	13,429
Other Purchased Services	11-000-230-590	8,850	844	9,694	5,437	4,257
General Supplies	11-000-230-610	3,000	755	3,755	3,692	63
Miscellaneous Expenditures	11-000-230-890	3,000	1,485	4,485	4,465	20
BOE Membership Dues & Fees	11-000-230-895	3,000	4,000	7,000	7,000	-
Total Support Services General Administration		211,910	3,939	215,849	194,009	21,840

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services School Administration:						
Salaries of Secretaries and Clerical Support	11-000-240-105	46,765	181	46,946	46,945	1
Supplies and Materials	11-000-240-600	1,000	13	1,013	910	103
Total Support Services School Administration		47,765	194	47,959	47,855	104
Central Services:						
Purchased Professional Services	11-000-251-330	90,000	(181)	89,819	88,992	827
Purchased Technical Services	11-000-251-340	12,000	(500)	11,500	8,045	3,455
Supplies and Materials	11-000-251-600	200	500	700	612	88
Other Objects	11-000-251-890	250	(13)	237	29	208
Total Central Services		102,450	(194)	102,256	97,678	4,578
Allowable Maintenance for School Facilities:						
Salaries	11-000-261-100	31,144	(7,377)	23,767	18,410	5,357
Cleaning, Repair & Maintenance Services	11-000-261-420	20,000	6,467	26,467	26,467	-
Lead Testing	11-000-261-421	-	1,491	1,491	1,491	-
General Supplies	11-000-261-610	1,000	2,660	3,660	3,660	-
Total Allowable Maintenance for School Facilities		52,144	3,241	55,385	50,028	5,357
Custodial Services:						
Salaries	11-000-262-100	85,376	(16,160)	69,216	69,213	3
Salaries of Non-Instructional Aides	11-000-262-107	-	-	-	-	-
Purchased Professional Technical Services	11-000-262-300	7,500	(5,200)	2,300	2,225	75
Cleaning, Repair & Maintenance Services	11-000-262-420	7,500	33,520	41,020	41,019	1
Lease Purchase	11-000-262-444	5,000	2,100	7,100	7,095	5
Other Purchased Property Services	11-000-262-490	15,000	(4,745)	10,255	10,222	33
Insurance	11-000-262-520	20,000	(2,191)	17,809	17,727	82
General Supplies	11-000-262-610	25,000	(9,107)	15,893	15,046	847
Energy (Heat & Electricity)	11-000-262-622	45,000	4,350	49,350	49,348	2
Other Objects	11-000-262-890	250	-	250	-	250
Total Custodial Services		210,626	2,567	213,193	211,895	1,298
Total Operation & Maintenance		262,770	5,808	268,578	261,923	6,655
Student Transportation Services:						
Contracted Services - Aid in Lieu of Payments	11-000-270-503	2,000	1,016	3,016	3,016	-
Contracted Services - Joint Agreement (Special Education Students)	11-000-270-515	40,000	16,600	56,600	56,600	-
Contracted Services (Special Education Students) - ESC'S	11-000-270-518	20,000	38,981	58,981	58,980	1
Total Student Transportation Services		62,000	56,597	118,597	118,596	1
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	50,000	1,305	51,305	51,303	2
Other Retirement Contribution - PERS	11-000-291-241	30,000	5,886	35,886	35,886	-
Unemployment Compensation	11-000-291-250	12,000	(2,886)	9,114	9,113	1
Workmen's Compensation	11-000-291-260	18,000	-	18,000	14,263	3,737
Health Benefits	11-000-291-270	605,000	(37,773)	567,227	510,264	56,963
Tuition Reimbursement	11-000-291-280	8,000	(2,130)	5,870	-	5,870
Other Employee Benefits	11-000-291-290	9,642	(4,480)	5,162	3,421	1,741
Unused Sick Payment to Terminated/Retired Employees	11-000-291-299	-	4,480	4,480	4,480	-
Total Unallocated Benefits		732,642	(35,598)	697,044	628,730	68,314

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	670,508	(670,508)
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	156,658	(156,658)
On-Behalf TPAF Long-Term Disability Insurance Contribution		-	-	-	191	(191)
Reimbursed TPAF Social Security		-	-	-	138,726	(138,726)
Total On-Behalf Contributions		-	-	-	966,083	(966,083)
Total personal services - employee benefits		732,642	(35,598)	697,044	1,594,813	(897,769)
Total Undistributed Expenditures		2,201,105	(21,444)	2,179,661	2,947,908	(768,247)
Total Expenditures - Current Expense		4,345,071	32,648	4,377,719	5,028,667	(650,948)
Facilities Acquisitions & Construction Services:						
Lease Purchase	12-000-400-721	218,102	-	218,102	45,876	172,226
Assessment for Debt Service on SDA Funding	12-000-400-896	494	-	494	494	-
Total Facilities Acquisitions & Construction Services Expenditures		218,596	-	218,596	46,370	172,226
Interest Earned on Capital Reserve		1	-	1	1	-
Total Capital Outlay		218,597	-	218,597	46,371	172,226
Total Expenditures		4,563,668	32,648	4,596,316	5,075,038	(478,722)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(447,854)	(32,648)	(480,502)	58,431	538,933
Other Financing Sources/(Uses):						
Capital Reserve - Transfer to Capital Projects	12-000-400-931	-	(250,000)	(250,000)	(250,000)	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses		(447,854)	(282,648)	(730,502)	(191,569)	538,933
Fund Balances, July 1		1,484,712	-	1,484,712	1,484,712	-
Fund Balances, June 30		\$ 1,036,858	\$ (282,648)	\$ 754,210	\$ 1,293,143	\$ 538,933
RECAPITULATION OF BUDGET TRANSFERS:						
Prior Year Encumbrances			\$ 32,648			
Transfer to Capital Projects			250,000			
			<u>\$ 282,648</u>			
RECAPITULATION OF FUND BALANCE:						
Restricted Fund Balance:						
Capital Reserve Account					\$ 15,887	
Excess Surplus					504,470	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures					450,774	
Assigned Fund Balance						
Year-End Encumbrances					4,162	
Designated for Subsequent Year's Expenditures					37,550	
Unassigned Fund Balance					<u>280,300</u>	
					1,293,143	
Reconciliation to Governmental Fund Statements (GAAP):						
Last Two State Aid Payments Not Recognized on GAAP Basis					<u>(111,975)</u>	
Fund Balance Per Governmental Funds (GAAP)					<u>\$ 1,181,168</u>	

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES					
State Sources	\$ 291,936	\$ 43,064	\$ 335,000	\$ 333,299	\$ (1,701)
Local Sources	5,000	-	5,000	16,398	11,398
Federal Sources	275,264	140,810	416,074	371,348	(44,726)
Total Revenues	572,200	183,874	756,074	721,045	(35,029)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	13,045	42,616	55,661	55,238	423
Purchased Professional/Technical Services	277,599	(6,042)	271,557	266,780	4,777
Other Purchased Services	-	75,649	75,649	74,437	1,212
General Supplies	-	23,096	23,096	19,816	3,280
Textbooks	14,337	48,638	62,975	62,621	354
Total Instruction	304,981	183,957	488,938	478,892	10,046
Support Services:					
Personal Services - Employee Benefits	10,000	12,569	22,569	10,779	11,790
Purchased Professional Educational Services	146,753	(33,518)	113,235	105,684	7,551
Purchased Professional Technical Services	2,535	11,184	13,719	13,459	260
Purchased Professional Services	45,000	(5,000)	40,000	38,193	1,807
Supplies & Materials	25,000	682	25,682	24,709	973
Student Activities	5,000	-	5,000	14,081	(9,081)
Total Support Services	234,288	(14,083)	220,205	206,905	13,300
Facilities Acquisition & Construction Services:					
Instructional Equipment	32,931	-	32,931	32,931	-
Total Facilities Acquisition & Construction Services	32,931	-	32,931	32,931	-
Total Expenditures	572,200	169,874	742,074	718,728	23,346
Total Outflows	572,200	169,874	742,074	718,728	23,346
Excess/(Deficiency) of Revenues Over/(Under)					
Expenditures & Other Financing Sources/(Uses)	-	14,000	14,000	2,317	11,683
Fund Balance, July 1	21,547	-	21,547	21,547	-
Fund Balance, June 30	\$ 21,547	\$ 14,000	\$ 35,547	\$ 23,864	\$ 11,683

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$5,133,469	\$ 721,045
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.		
Current Year	-	(16,466)
Prior Year	-	12,000
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.		
Current Year	(111,975)	-
Prior Year	92,633	-
<hr/>		
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$5,114,127</u>	<u>\$ 716,579</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$5,075,038	\$ 718,728
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.		
Current Year	-	(16,466)
Prior Year	-	12,000
<hr/>		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$5,075,038</u>	<u>\$ 714,262</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST NINE FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.002475%	0.002455%	0.002425%	0.002441%	0.001972%	0.002451%	0.002814%	0.003386%	0.003226%
School District's proportionate share of the net pension liability	\$ 293,220	\$ 400,399	\$ 436,965	\$ 480,619	\$ 459,114	\$ 725,771	\$ 631,664	\$ 634,027	\$ 616,648
School District's covered payroll	\$ 128,215	\$ 157,178	\$ 167,630	\$ 177,680	\$ 169,857	\$ 164,593	\$ 142,882	\$ 170,480	\$ 240,576
School District's proportionate share of the net pension liability as a percentage of its covered payroll	228.69%	254.74%	260.67%	270.50%	270.29%	440.95%	442.09%	371.91%	256.32%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.93%	52.08%	58.70%

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

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST NINE FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 28,987	\$ 26,860	\$ 23,589	\$ 24,280	\$ 18,271	\$ 21,770	\$ 24,192	\$ 27,917	\$ 25,017
Contributions in relation to the contractually required contribution	(28,987)	(26,860)	(23,589)	(24,280)	(18,271)	(21,770)	(24,192)	(27,917)	(25,017)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	128,215	157,178	167,630	177,680	169,857	164,593	142,882	170,480	220,787
Contributions as a percentage of covered-employee payroll	22.61%	17.09%	14.07%	13.67%	10.76%	13.23%	16.93%	16.38%	12.54%

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST NINE FISCAL YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	7,613,445	11,091,398	10,433,334	10,397,962	11,060,757	12,855,017	10,387,666	7,999,737	7,618,675
	\$ 7,613,445	\$ 11,091,398	\$ 10,433,334	\$ 10,397,962	\$ 11,060,757	\$ 12,855,017	\$ 10,387,666	\$ 7,999,737	\$ 7,618,675
School District's covered payroll	\$ 1,880,308	\$ 1,825,985	\$ 1,796,416	\$ 1,781,923	\$ 1,740,812	\$ 1,678,730	\$ 1,705,841	\$ 1,642,322	n/a
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.64%

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

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the school district.

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's Total OPEB Liability					
Service Cost	\$ 525,578	\$ 300,217	\$ 286,672	\$ 280,919	\$ 338,905
Interest Cost	303,201	291,265	354,738	359,492	312,175
Difference between Expected & Actual Differences	(1,831,679)	2,049,008	(1,390,392)	(251,629)	-
Changes of Assumptions	11,531	2,358,310	121,214	(1,032,750)	(1,278,862)
Contributions: Member	7,751	6,813	7,398	8,317	8,423
Gross Benefit Payments	(238,837)	(224,762)	(249,557)	(240,646)	(228,747)
Net Change in District's Total OPEB Liability	(1,222,455)	4,780,851	(869,927)	(876,297)	(848,106)
District's Total OPEB Liability (Beginning)	<u>12,910,530</u>	<u>8,129,679</u>	<u>8,999,606</u>	<u>9,875,903</u>	<u>10,724,009</u>
District's Total OPEB Liability (Ending)	<u>\$ 11,688,075</u>	<u>\$ 12,910,530</u>	<u>\$ 8,129,679</u>	<u>\$ 8,999,606</u>	<u>\$ 9,875,903</u>
District's Covered Employee Payroll	\$ 2,008,523	\$ 1,983,163	\$ 1,964,046	\$ 1,959,603	\$ 1,910,669
District's Net OPEB Liability as a Percentage of Covered Payroll	581.92%	651.01%	413.93%	459.26%	516.88%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PAR
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.40% as of June 30, 2020, to 7.00

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2020, to 7.00

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.21% as of June 30, 2020, to 2.16

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.40% as of June 30, 2020, to 7.00% as of June 30, 2021.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2020, to 7.00% as of June 30, 2021.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2022

	TOTAL BROUGHT FORWARD (EXHIBIT E-1)	ESEA		TITLE II PART A	TITLE IV PART A	I.D.E.A. PART B BASIC		I.D.E.A. PRESCHOOL PROGRAM	CARES STABILIZATION FUND	ARP/ ESSER	TOTALS
		TITLE I PART A	TITLE I PART A			REGULAR PROGRAM	REGULAR PROGRAM				
Revenues:											
State Sources	\$ 333,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,299
Local Sources	16,398	-	-	-	-	-	-	-	-	-	16,398
Federal Sources	-	37,990	5,943	10,000	160,157	12,454	947	143,857			371,348
Total Revenues	\$ 349,697	\$ 37,990	\$ 5,943	\$ 10,000	\$ 160,157	\$ 12,454	\$ 947	\$ 143,857	\$ 947	\$ 143,857	\$ 721,045
Expenditures:											
Instruction:											
Salaries of Teachers	-	26,200	-	-	-	-	-	-	-	29,038	55,238
Purchased Professional/Technical Services	266,780	-	-	-	-	-	-	-	-	-	266,780
Other Purchased Services	-	-	-	-	61,983	12,454	-	-	-	-	74,437
General Supplies	13,041	-	-	-	885	-	-	-	-	5,890	19,816
Textbooks	18,646	-	-	-	-	-	-	-	-	43,975	62,621
Total Instruction	298,467	26,200	-	-	62,868	12,454	-	78,903	-	78,903	478,892
Support Services:											
Personal Services - Employee Benefits	-	-	-	-	-	-	-	-	-	10,779	10,779
Purchased Professional Educational Services	-	-	-	-	97,289	-	-	-	-	8,395	105,684
Purchased Professional Technical Services	-	11,790	1,669	-	-	-	-	-	-	-	13,459
Other Purchased Services	34,832	-	2,028	-	-	-	-	-	-	1,333	38,193
Supplies & Materials	-	-	2,246	10,000	-	-	947	-	-	11,516	24,709
Student Activities	14,081	-	-	-	-	-	-	-	-	-	14,081
Total Support Services	48,913	11,790	5,943	10,000	97,289	-	947	32,023	947	32,023	206,905
Facilities Acquisition & Construction Services:											
Construction	-	-	-	-	-	-	-	-	-	32,931	32,931
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-	-	32,931	-	32,931	32,931
Total Expenditures	\$ 347,380	\$ 37,990	\$ 5,943	\$ 10,000	\$ 160,157	\$ 12,454	\$ 947	\$ 143,857	\$ 947	\$ 143,857	\$ 718,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,317	-	-	-	-	-	-	-	-	-	2,317
Fund Balance, July 1	21,547	-	-	-	-	-	-	-	-	-	21,547
Fund Balance, June 30	23,864	-	-	-	-	-	-	-	-	-	23,864

WOODBURY HEIGHTS SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2022

	TOTAL BROUGHT FORWARD (EXHIBIT E-1)	NONPUBLIC TEXTBOOKS	NONPUBLIC TEXTBOOKS	NONPUBLIC TRANSPORTATION	NONPUBLIC AUXILIARY CHAPTER 192 COMPENSATORY EDUCATION	TOTAL CARRIED FORWARD
Revenues:						
State Sources	\$ 225,031	\$ 13,041	\$ 18,646	\$ 6,709	\$ 69,872	\$ 333,299
Local Sources	16,398	-	-	-	-	16,398
Federal Sources	-	-	-	-	-	-
Total Revenues	\$ 241,429	\$ 13,041	\$ 18,646	\$ 6,709	\$ 69,872	\$ 349,697
Expenditures:						
Instruction:						
Purchased Professional /Technical Services	190,199	-	-	6,709	69,872	266,780
General Supplies	-	13,041	-	-	-	13,041
Textbooks	-	-	18,646	-	-	18,646
Total Instruction	190,199	13,041	18,646	6,709	69,872	298,467
Support Services:						
Purchased Professional Services	34,832	-	-	-	-	34,832
Student Activities	14,081	-	-	-	-	14,081
Total Support Services	48,913	-	-	-	-	48,913
Total Expenditures	239,112	13,041	18,646	6,709	69,872	347,380
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,317	-	-	-	-	2,317
Fund Balance, July 1	21,547	-	-	-	-	21,547
Fund Balance, June 30	\$ 23,864	\$ -	\$ -	\$ -	\$ -	\$ 23,864

**WOODBURY HEIGHTS SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	STUDENT ACTIVITY	NONPUBLIC NURSING SERVICES	NONPUBLIC SECURITY	NONPUBLIC HANDICAPPED SERVICES CHAPTER 193			TOTAL CARRIED FORWARD
				SUPPLEMENTAL INSTRUCTION	SPEECH	EXAM & CLASSIFICATION	
Revenues:							
State Sources	\$ -	\$ 34,832	\$ 70,525	\$ 28,332	\$ 56,637	\$ 34,705	\$ 225,031
Local Sources	16,398	-	-	-	-	-	16,398
Total Revenues	\$ 16,398	\$ 34,832	\$ 70,525	\$ 28,332	\$ 56,637	\$ 34,705	\$ 241,429
Expenditures:							
Instruction:							
Purchased Professional/Technical Services	\$ -	\$ -	\$ 70,525	\$ 28,332	\$ 56,637	\$ 34,705	\$ 190,199
Total Instruction	-	-	70,525	28,332	56,637	34,705	190,199
Support Services:							
Purchased Professional Services	\$ -	\$ 34,832	\$ -	\$ -	\$ -	\$ -	\$ 34,832
Student Activities	14,081	-	-	-	-	-	14,081
Total Support Services	14,081	34,832	-	-	-	-	48,913
Total Expenditures	14,081	34,832	70,525	28,332	56,637	34,705	239,112
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,317	-	-	-	-	-	2,317
Fund Balance, July 1	21,547	-	-	-	-	-	21,547
Fund Balance, June 30	\$ 23,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,864

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F. Capital Projects Fund

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2022**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE 2022
			PRIOR YEARS	CURRENT YEAR	
School Security Enhancements and Other Improvements	1/28/2020	\$ 2,003,000	\$ 1,246,174	\$ 671,731	\$ 85,095
School Entrance Renovation	5/10/2022	250,000	-	179,145	70,855
Total		\$ 2,253,000	\$ 1,246,174	\$ 850,876	\$ 155,950

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

Revenues and Other Financing Sources:	
Transfer from Capital Reserve	<u>\$ 250,000</u>
 Total Revenues	 <u>250,000</u>
 Expenditures and Other Financing Uses:	
Purchased Professional & Technical Services	34,441
Construction Services	<u>816,435</u>
 Total Expenditures	 <u>850,876</u>
 Excess (deficiency) of revenues over (under) expenditures	 (600,876)
 Fund Balance - Beginning	 <u>756,826</u>
 Fund Balance - Ending	 <u><u>\$ 155,950</u></u>

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
SCHOOL SECURITY ENHANCEMENTS & OTHER IMPROVEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 1,778,000	\$ -	\$ 1,778,000	\$ 1,778,000
Transfer from Capital Reserve	225,000	-	225,000	225,000
Total Revenues	2,003,000	-	2,003,000	2,003,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	205,144	34,441	239,585	278,000
Construction Services	1,041,030	637,290	1,678,320	1,725,000
Total Expenditures	1,246,174	671,731	1,917,905	2,003,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 756,826	\$ (671,731)	\$ 85,095	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	15-5870-050-21-1000
Grant Date	N/A
Grant Award	N/A
Bond Authorization Date	1/28/2020
Bonds Authorized	\$1,778,135
Bonds Issued	\$1,778,000
Original Authorized Cost	\$ 2,003,135
Additional Authorized Cost	-
Revised Authorized Cost	\$ 2,003,135
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	83.78%
Original Target Completion Date	6/30/2023

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
SCHOOL ENTRANCE RENOVATION
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ -	\$ 250,000	\$ 250,000	\$ 250,000
Total Revenues	-	250,000	250,000	250,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	-	-	20,000
Construction Services	-	179,145	179,145	230,000
Total Expenditures	-	179,145	179,145	250,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 70,855	\$ 70,855	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Grant Date	N/A
Grant Award	N/A
Bond Authorization Date	N/A
Bonds Authorized	\$0
Bonds Issued	\$0
Original Authorized Cost	\$ 250,000
Additional Authorized Cost	0
Revised Authorized Cost	\$ 250,000
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	71.66%
Original Target Completion Date	6/30/2023

G. Proprietary Funds

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Enterprise Funds

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2022**

ASSETS	PROJECT SAFEKEEP	TOTALS
Cash & Cash Equivalents	\$ 32,102	\$ 32,102
Total Assets	<u>32,102</u>	<u>32,102</u>
NET POSITION		
Unrestricted	<u>32,102</u>	<u>32,102</u>
Total Net Position	<u>\$ 32,102</u>	<u>\$ 32,102</u>

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	PROJECT SAFEKEEP	TOTALS
Total Net Position - Beginning	\$ 32,102	\$ 32,102
Total Net Position - Ending	\$ 32,102	\$ 32,102

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	PROJECT SAFEKEEP	TOTALS
Balances - Beginning of Year	\$ 32,102	\$ 32,102
Balances - Ending of Year	\$ 32,102	\$ 32,102

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I. Long-Term Debt

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**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS**

June 30, 2022

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2021	ISSUED	PAID	BALANCE JUNE 30, 2022
			DATE	AMOUNT					
2011 General Obligation Bonds	3/1/2011	\$ 377,516	3/1/2023-24	\$ 30,000	3.850%	\$ 157,516	\$ -	\$ 30,000	\$ 127,516
			3/1/2025	33,000	3.850%				
			3/1/2026	34,516	3.850%				
2020 General Obligation Bonds	7/15/2020	1,778,000	7/15/2023-24	100,000	2.000%	1,778,000	-	-	1,778,000
			7/15/2025	110,000	2.000%				
			7/15/2026	115,000	2.000%				
			7/15/2027	120,000	2.000%				
			7/15/2028	125,000	2.000%				
			7/15/2029-30	130,000	2.000%				
			7/15/2031	135,000	2.000%				
			7/15/2032	145,000	2.000%				
			7/15/2033	150,000	2.000%				
			7/15/2034	160,000	2.000%				
7/15/2035	170,000	2.000%							
Total									
						\$ 1,935,516	\$ -	\$ 30,000	\$ 1,905,516

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER LOAN PAYABLE
JUNE 30, 2022**

DESCRIPTION	Date of Loan	Term of Loan	Amount of Original Issue		Interest Rate	Amount Outstanding		Retired	Amount Outstanding June 30, 2022
			Principal	Interest		July 1, 2021	Issued		
Copiers	8/10/2020	36 months	\$ 18,002	\$ 1,772	6.50%	\$ 13,332	\$ -	\$ 5,931	\$ 7,401
Copiers	10/7/2020	34 months	2,804	274	6.50%	2,190	-	973	1,217
Energy Efficiency Program	12/30/2019	60 months	35,474	-	0.00%	26,014	-	7,095	18,919
Total						<u>\$ 41,536</u>	<u>\$ -</u>	<u>\$ 13,999</u>	<u>\$ 27,537</u>

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Tax Levy	\$ 87,986	\$ -	\$ 87,986	\$ 87,986	\$ -
Debt Service Aid	7,231	-	7,231	7,231	-
Total Revenues	95,217	-	95,217	95,217	-
Expenditures:					
Regular Debt Service:					
Interest	57,988	-	57,988	57,988	-
Redemption of Principal	37,231	-	37,231	30,000	7,231
Total Regular Debt Service	95,219	-	95,219	87,988	7,231
Excess/(Deficiency) of Revenues Over (Under) Expenditures	(2)	-	(2)	7,229	(7,231)
Fund Balance, July 1	29,935		29,935	29,935	-
Fund Balance, June 30	\$ 29,933	\$ -	\$ 29,933	\$ 37,164	\$ (7,231)

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STATISTICAL SECTION (Unaudited)

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WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 544,302	\$ (327,299)	\$ 241,436	\$ 270,159	\$ 279,524	\$ 319,239	\$ 364,571	\$ 299,782	\$ 462,641	\$ 470,331
Restricted	1,188,109	1,970,291	1,310,994	1,270,865	1,209,470	927,592	717,135	646,857	545,418	510,881
Unrestricted	(307,469)	(391,572)	(368,491)	(424,761)	(488,960)	(501,995)	(519,583)	(536,969)	125,757	119,862
Total Governmental Activities	\$ 1,424,942	\$ 1,251,420	\$ 1,183,939	\$ 1,116,263	\$ 1,000,034	\$ 744,836	\$ 562,123	\$ 409,670	\$ 1,133,816	\$ 1,101,074
Business-Type Activities:										
Unrestricted	\$ 32,102	\$ 32,102	\$ 33,039	\$ 28,898	\$ 24,512	\$ 27,446	\$ 19,899	\$ 12,936	\$ 16,718	\$ 14,125
Total Business-Type Activities	\$ 32,102	\$ 32,102	\$ 33,039	\$ 28,898	\$ 24,512	\$ 27,446	\$ 19,899	\$ 12,936	\$ 16,718	\$ 14,125
District-Wide:										
Invested in Capital Assets,										
Net of Related Debt	\$ 544,302	\$ (327,299)	\$ 241,436	\$ 270,159	\$ 279,524	\$ 319,239	\$ 364,571	\$ 299,782	\$ 462,641	\$ 470,331
Restricted	1,188,109	1,970,291	1,310,994	1,270,865	1,209,470	927,592	717,135	646,857	545,418	510,881
Unrestricted	(275,367)	(359,470)	(335,452)	(395,863)	(464,448)	(474,549)	(499,684)	(524,033)	142,475	133,987
Total District Net Position	\$ 1,457,044	\$ 1,283,522	\$ 1,216,978	\$ 1,145,161	\$ 1,024,546	\$ 772,282	\$ 582,022	\$ 422,606	\$ 1,150,534	\$ 1,115,199

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 1,461,262	\$ 1,399,248	\$ 1,382,996	\$ 1,388,476	\$ 1,621,942	\$ 1,620,711	\$ 1,575,644	\$ 1,472,531	\$ 1,472,220	\$ 1,413,653
Special Education	902,561	763,647	719,810	716,031	391,874	387,728	420,289	398,205	367,099	352,552
Other Instruction	132,238	174,509	158,756	157,638	150,921	148,265	143,946	153,257	144,123	139,427
School Sponsored	19,591	6,475	-	-	-	-	-	-	-	-
Support Services:										
Tuition, Student & Instruction Related Services	839,939	744,290	722,365	634,333	594,287	626,531	630,741	701,975	711,372	703,155
General & Administrative Services	194,009	198,983	110,039	133,709	123,652	134,040	264,200	258,508	258,518	279,729
School Administrative Services	47,855	46,292	189,543	222,306	194,362	180,790	40,507	39,530	39,618	49,713
Central Services	97,678	87,288	-	-	-	-	-	-	-	-
Plant Operations & Maintenance	261,923	194,947	212,643	203,677	193,862	194,143	209,533	193,533	207,719	166,885
Pupil Transportation	119,637	117,806	70,365	36,451	26,507	34,353	47,575	79,118	66,622	117,933
Unallocated Benefits	1,486,949	2,594,485	1,772,485	1,537,422	1,472,148	1,016,922	2,699,857	1,222,139	723,230	732,194
Interest & Other Charges	87,076	43,443	7,989	8,952	9,914	10,684	11,692	12,462	13,232	14,000
Capital Outlay	-	20,806	72,766	47,082	22,301	9,674	609	-	-	-
Unallocated Depreciation	51,739	49,847	53,723	34,365	64,715	65,333	64,503	121,669	38,008	38,008
Total Governmental Activities Expenses	5,702,457	6,442,066	5,473,480	5,120,442	4,866,485	4,429,174	6,109,096	4,652,927	4,041,761	4,007,249
Business-Type Activities:										
Project Safekeep	-	937	26,690	40,437	44,894	43,499	43,316	52,605	41,572	44,283
Total Business-type activities expenses	-	937	26,690	40,437	44,894	43,499	43,316	52,605	41,572	44,283
Program Revenues:										
Governmental Activities:										
Charges for Services	-	6,536	-	-	-	-	-	-	-	-
Operating Grants & Contributions	1,639,949	1,998,600	458,069	458,539	450,880	432,022	2,604,623	1,184,439	692,295	733,250
Total Governmental Activities Program Revenues	1,639,949	2,005,136	458,069	458,539	450,880	432,022	2,604,623	1,184,439	692,295	733,250
Business-Type Activities:										
Charges for Services	-	-	30,831	44,823	41,960	51,046	50,279	48,823	44,166	42,850
Project Safekeep	-	-	30,831	44,823	41,960	51,046	50,279	48,823	44,166	42,850
Total Business-Type Activities Revenues	-	-	30,831	44,823	41,960	51,046	50,279	48,823	44,166	42,850

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expense)/Revenue:										
Governmental Activities	\$ (4,062,508)	\$ (4,436,930)	\$ (5,015,411)	\$ (4,661,903)	\$ (4,415,605)	\$ (3,997,152)	\$ (3,504,473)	\$ (3,468,488)	\$ (3,349,466)	\$ (3,273,999)
Business-Type Activities	-	(937)	4,141	4,386	(2,934)	7,547	6,963	(3,782)	2,594	(1,433)
Total District-Wide Net Expense	\$ (4,062,508)	\$ (4,437,867)	\$ (5,011,270)	\$ (4,657,517)	\$ (4,418,539)	\$ (3,989,605)	\$ (3,497,510)	\$ (3,472,270)	\$ (3,346,872)	\$ (3,275,432)
General Revenues & Other Changes in Net Position										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	\$ 2,895,962	\$ 2,839,179	\$ 2,783,508	\$ 2,728,930	\$ 2,675,421	\$ 2,622,960	\$ 2,536,529	\$ 2,428,043	\$ 2,356,214	\$ 2,310,014
Taxes Levied for Debt Service	87,986	32,027	32,990	33,952	34,914	30,684	31,455	32,225	32,995	33,765
Federal & State Aid Not Restricted	1,214,609	1,655,425	2,235,595	1,986,807	1,537,058	1,470,119	1,012,187	983,068	1,006,791	990,765
Tuition	34,353	14,100	11,277	20,000	42,575	40,450	13,000	18,000	-	16,478
Interest Earnings	1	328	10,211	10,154	5,617	3,412	2,511	2,083	1,913	5,185
Miscellaneous Income	3,119	17,775	9,506	3,514	8,202	4,092	6,219	386	1,170	6,927
Miscellaneous Restricted Income	-	-	-	-	-	-	58,098	-	-	-
Contracts payable	-	-	-	(5,225)	(13,156)	(1,651)	-	-	-	3,004
Prior year (receivable) payable canceled	-	-	-	-	-	-	(4,449)	(77,546)	(20,796)	-
Prior period adjustment	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	4,236,030	4,558,834	5,083,087	4,778,132	4,290,631	4,170,066	3,655,550	3,386,259	3,378,287	3,366,138
Total District-Wide	\$ 4,236,030	\$ 4,558,834	\$ 5,083,087	\$ 4,778,132	\$ 4,290,631	\$ 4,170,066	\$ 3,655,550	\$ 3,386,259	\$ 3,378,287	\$ 51,589,383
Change in Net Position:										
Governmental Activities	\$ 173,522	\$ 121,904	\$ 67,676	\$ 116,229	\$ (124,974)	\$ 172,914	\$ 151,077	\$ (82,229)	\$ 28,821	\$ 92,139
Business-Type Activities	-	(937)	4,141	4,386	(2,934)	7,547	6,963	(3,782)	2,594	(1,433)
Total District	\$ 173,522	\$ 120,967	\$ 71,817	\$ 120,615	\$ (127,908)	\$ 180,461	\$ 158,040	\$ (86,011)	\$ 31,415	\$ 90,706

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Restricted	\$ 971,131	\$ 1,161,983	\$ 1,274,430	\$ 1,240,351	\$ 1,168,212	\$ 897,807	\$ 682,889	\$ 611,018	\$ 497,533	\$ 435,979
Assigned	41,712	35,179	6,629	580	6,965	22,067	4,305	4,343	16,685	22,912
Unrestricted	168,325	194,917	165,610	156,563	155,292	15,695	167,726	149,880	163,759	162,041
Total General Fund	\$ 1,181,168	\$ 1,392,079	\$ 1,446,669	\$ 1,397,494	\$ 1,330,469	\$ 935,569	\$ 854,920	\$ 765,241	\$ 677,977	\$ 620,932
All Other Governmental Funds										
Restricted:										
Special Revenue Fund	\$ 23,864	\$ 21,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	155,950	756,826	29,933	29,933	29,933	29,933	29,933	31,194	31,194	51,989
Debt Service Fund	37,164	29,935	2	1	1	2	3	2	1	1
Total All Other Governmental Funds	\$ 193,114	\$ 786,761	\$ 29,935	\$ 29,934	\$ 29,934	\$ 29,935	\$ 29,936	\$ 31,196	\$ 31,195	\$ 51,990

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Tax Levy	\$ 2,983,948	\$ 2,871,206	\$ 2,816,498	\$ 2,762,882	\$ 2,710,335	\$ 2,653,644	\$ 2,567,984	\$ 2,460,268	\$ 2,389,209	\$ 2,343,779
Tuition Charges	34,353	14,100	11,277	20,000	42,575	40,450	13,000	18,000	-	16,478
Miscellaneous	19,518	24,639	19,717	13,668	13,239	7,504	8,730	2,424	3,083	12,111
State Sources	2,521,222	2,128,091	1,887,948	1,919,478	1,858,613	1,778,143	1,710,518	1,642,086	1,564,360	1,594,707
Federal Sources	366,882	210,064	190,330	153,956	129,905	123,998	140,409	124,304	134,726	129,307
Total Revenue	5,925,923	5,248,100	4,925,770	4,869,984	4,754,667	4,603,739	4,440,641	4,247,082	4,091,378	4,096,382
Expenditures:										
Instruction:										
Regular Instruction	1,505,261	1,404,532	1,380,021	1,375,757	1,624,672	1,632,245	1,575,644	1,472,531	1,472,220	1,413,653
Special Education Instruction	902,561	763,647	719,810	716,031	391,874	387,728	420,289	398,205	367,099	352,552
Other Instruction	132,238	174,509	158,756	157,638	150,921	148,265	143,946	153,257	144,123	139,427
School Sponsored Activities	19,591	6,475	-	-	-	-	-	-	-	-
Support Services:										
Student & Instruction Related Services	839,939	744,290	722,365	634,333	594,287	626,531	630,741	701,975	711,372	703,155
General & Administration Services	194,009	198,983	253,855	311,720	123,652	134,040	264,200	258,508	258,518	279,729
School Administrative Services	47,855	46,292	45,727	44,295	194,362	180,790	40,507	39,530	39,618	49,713
Central Services	97,678	87,288	-	-	-	-	-	-	-	-
Plant Operations & Maintenance	261,923	202,042	212,643	203,677	193,862	194,143	209,533	193,533	207,719	166,885
Pupil Transportation	118,596	117,806	70,365	36,451	26,507	34,353	47,575	79,118	66,622	117,933
Unallocated Benefits	1,594,813	1,298,300	1,207,297	1,236,798	1,130,517	1,001,734	931,881	813,790	723,230	732,194
Capital Outlay	879,341	1,267,474	72,766	47,082	22,301	9,674	52,298	9,290	35,565	493
Debt Service:										
Principal	75,876	25,000	25,000	25,000	25,000	20,000	20,000	20,000	20,000	20,000
Interest & Other Charges	58,483	7,027	7,989	8,952	9,914	10,684	11,454	12,224	12,994	13,764
Total Expenditures	6,728,164	6,343,665	4,876,594	4,797,734	4,487,869	4,380,187	4,348,068	4,151,961	4,059,080	3,989,498
Excess (Deficiency) of Revenues										
Over/(Under) Expenditures	(802,241)	(1,095,565)	49,176	72,250	266,798	223,552	92,573	95,121	32,298	106,884
Other Financing Sources/(Uses):										
Prior period adjustment	-	-	-	(5,225)	-	-	(4,449)	-	(20,796)	3,004
Capital Lease (Non-budgeted)	-	20,806	-	-	-	-	-	-	-	-
Bond Proceeds	-	1,778,000	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	1,798,806	-	(5,225)	-	-	(4,449)	-	(20,796)	3,004
Net Change in Fund Balances	\$ (802,241)	\$ 703,241	\$ 49,176	\$ 67,025	\$ 266,798	\$ 223,552	\$ 88,124	\$ 95,121	\$ 11,502	\$ 109,888
Debt Service as a Percentage of										
Noncapital Expenditures	2.35%	0.63%	0.69%	0.72%	0.79%	0.71%	0.74%	0.78%	0.83%	0.85%

Source: District records

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	HOMELESS TUITION	MISCELLANEOUS	TOTAL
2022	\$ 1	\$ 34,353	\$ -	\$ 3,119	\$ 37,473
2021	5,883	14,100	-	-	19,983
2020	10,211	11,277	-	9,506	30,994
2019	10,154	20,000	-	3,514	33,668
2018	5,617	42,575	-	7,622	55,814
2017	3,412	40,450	-	4,092	47,954
2016	2,511	13,000	-	6,219	21,730
2015	2,038	18,000	-	386	20,424
2014	1,913	-	-	1,170	3,083
2013	5,185	-	16,478	6,927	28,590

Source: District records

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUN 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2022	\$ 5,650,300	\$ 189,403,900	\$ 46,950,900	\$ 6,776,100	\$ 300,000	\$ 249,081,200	\$ 616,211	\$ 249,697,411	1.138	\$ 260,257,025
2021	5,296,400	190,457,000	46,411,500	6,911,100	300,000	249,376,000	641,821	250,017,821	1.138	269,566,870
2020	5,296,400	190,323,800	46,682,500	6,911,100	300,000	249,513,800	648,620	250,162,420	1.115	264,955,862
2019	5,444,500	191,444,300	46,643,200	6,911,100	300,000	250,743,100	647,817	251,390,917	1.078	262,878,676
2018	7,022,800	191,393,100	47,196,900	6,911,100	300,000	252,823,900	661,467	253,485,367	1.070	263,967,992
2017	7,078,400	191,407,600	47,045,400	7,234,700	300,000	253,066,100	661,277	253,727,377	1.029	264,568,430
2016	7,163,100	191,274,400	47,745,100	7,163,700	300,000	253,646,300	663,967	254,310,267	0.988	261,697,969
2015	7,266,700	191,390,700	50,974,700	6,167,800	300,000	256,099,900	657,377	256,757,277	0.944	260,980,707
2014	7,361,400	191,765,800	54,773,000	6,158,500	300,000	260,358,700	730,428	261,089,128	0.906	266,660,441
2013	4,561,000	192,215,000	57,283,200	12,578,300	376,700	267,014,200	702,952	267,717,152	0.868	267,717,152

Source: County Tax Assessor and Abstract of Ratables

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 (Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUN 30,	School District Direct Rate		Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	Total Direct	Gateway Regional High School	Borough Of Woodbury Heights	Gloucester County	
2022	1.229	1.229	1.409	1.291	0.772	4.701
2021	1.138	1.138	1.424	1.230	0.801	4.593
2020	1.115	1.115	1.418	1.210	0.774	4.517
2019	1.078	1.078	1.375	1.179	0.758	4.390
2018	1.070	1.070	1.320	1.158	0.750	4.298
2017	1.029	1.029	1.273	1.133	0.752	4.187
2016	0.988	0.988	1.234	1.103	0.720	4.045
2015	0.944	0.944	1.189	1.065	0.673	3.871
2014	0.906	0.906	1.160	1.021	0.659	3.746
2013	0.868	0.868	1.146	0.971	0.615	3.600

Source: County Tax Assessor and Abstract of Ratables

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2022		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Oak Valley Plaza Inc	\$ 11,658,000	1	4.67%
Wawa Inc	2,555,500	2	1.02%
Phalines & Gligor LLC	2,200,000	3	0.88%
HCD Realty LLC	2,112,200	4	0.85%
Woodbury Heights Development LLC	1,755,000	5	0.70%
Balducci Inc	1,710,000	6	0.68%
Genius One LLC	1,557,600	7	0.62%
Heights Plaza LLC	1,362,500	8	0.55%
Jonathon Advisors Limited Partnership	1,341,800	9	0.54%
American Paper Box LLC	1,322,400	10	0.53%
Total	\$ 27,575,000		11.04%

TAXPAYER	2013		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Oak Valley Plaza Inc	\$ 13,433,200	1	5.02%
Woodbury Heights Development LLC	4,510,000	2	1.68%
Wawa Inc	3,049,000	3	1.14%
Balducci Inc.	2,383,500	4	0.89%
HCD Realty LLC	2,188,800	5	0.82%
Transcontinental Gas Pipeline Co	2,081,900	6	0.78%
Heights Plaza LLC	1,934,600	7	0.72%
Taxpayer #1	1,708,300	8	0.64%
Taxpayer #2	1,543,200	9	0.58%
McDonalds Corporation	1,510,500	10	0.56%
Total	\$ 34,343,000		12.83%

Source: Municipal Tax Assessor

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2022	\$ 2,983,948	\$ 2,983,948	100.00%	-
2021	2,871,206	2,871,206	100.00%	-
2020	2,816,498	2,816,498	100.00%	-
2019	2,762,882	2,762,882	100.00%	-
2018	2,710,335	2,710,335	100.00%	-
2017	2,653,644	2,653,644	100.00%	-
2016	2,567,984	2,567,984	100.00%	-
2015	2,460,268	2,460,268	100.00%	-
2014	2,389,209	2,389,209	100.00%	-
2013	2,343,779	2,343,779	100.00%	-

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

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES				BOND ANTICIPATION NOTES (BANs)	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	LOANS PAYABLE					
2022	\$ 1,905,516	-	\$ 27,537	-	\$ 1,933,053	N/A	N/A	
2021	1,935,516	-	41,536	-	1,977,052	N/A	N/A	
2020	182,516	-	-	-	182,516	N/A	61	
2019	207,516	-	-	-	207,516	0.12%	70	
2018	257,516	-	-	-	257,516	0.16%	87	
2017	277,516	-	-	-	277,516	0.18%	93	
2016	297,516	-	-	-	297,516	0.20%	99	
2015	317,516	-	0	-	317,516	0.21%	106	
2014	337,516	-	7,561	-	345,077	0.24%	114	
2013	357,516	-	14,643	-	372,159	0.27%	123	

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS				
2022	\$ 1,905,516	\$ -	\$	1,905,516	0.76%	N/A
2021	1,935,516	-		1,935,516	0.77%	N/A
2020	182,516	-		182,516	0.07%	61
2019	207,516	-		207,516	0.08%	70
2018	257,516	-		257,516	0.10%	87
2017	277,516	-		277,516	0.11%	93
2016	297,516	-		297,516	0.12%	99
2015	317,516	-		317,516	0.12%	106
2014	337,516	-		337,516	0.13%	112
2013	357,516	-		357,516	0.13%	119

N/A At the time of ACFR completion, this data was not available

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Woodbury Heights Borough	\$ 7,937,500	100.00%	\$ 7,937,500
Gateway Regional School District	3,040,000	29.63%	900,759
Gloucester County	162,432,000	0.94%	1,523,623
			<u>10,361,882</u>
Woodbury Heights Borough School District Direct Debt			<u>1,933,053</u>
Total Overlapping Debt			<u><u>\$ 12,294,935</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Taxation.

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2013
Debt Limit	\$ 6,632,700.96	\$ 6,634,057	\$ 6,380,075	\$ 6,577,907	\$ 6,570,120	\$ 6,578,267	\$ 6,645,328	\$ 6,754,239	\$ 7,082,801	
Total Net Debt Applicable to Limit	1,905,516	1,935,516	207,516	232,516	257,516	277,516	297,516	317,516	337,516	
Legal Debt Margin	\$ 4,727,185	\$ 4,698,541	\$ 6,451,541	\$ 6,172,559	\$ 6,345,391	\$ 6,300,751	\$ 6,347,812	\$ 6,436,723	\$ 6,745,285	
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	28.73%	29.18%	3.25%	3.53%	3.92%	4.22%	4.48%	4.70%	4.77%	

Legal Debt Margin Calculation

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	\$ 795,924,115
Debt Limit (2.5% of Average Equalization Value) Net Bonded School Debt	\$ 265,308,038.33
Legal Debt Margin	\$ 4,727,185

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME(b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2022	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2020	2,970	N/A	N/A	8.8%
2019	2,965	167,519,535	56,499	3.5%
2018	2,976	161,727,744	54,344	4.2%
2017	2,983	156,595,568	52,496	4.4%
2016	2,991	151,954,764	50,804	5.1%
2015	3,007	149,198,319	49,617	5.3%
2014	3,015	142,805,475	47,365	4.8%
2013	3,016	138,368,048	45,878	5.5%

Source:

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

^b Personal income is estimated - population times estimated per capita personal income.

^c Per Capita Per County from US Bureau of Economic Analysis

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

EMPLOYER	2022		
	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
Amazon	4,500	1	N/A
Rowan University	3,500	2	N/A
Inspira Health	2,051	3	N/A
Jefferson Health	2,015	4	N/A
Washington Township School District	1,515	5	N/A
Shop Rite	1,300	6	N/A
County of Gloucester	1,200	7	N/A
U.S. Food Services	1,014	8	N/A
Monroe Township School District	841	9	N/A
Walmart - Turnersville	800	10	N/A
	<u>18,736</u>		

EMPLOYER	2013		
	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
Rowan University	1,300	1	N/A
Underwood Memorial Hospital	1,825	2	N/A
Washington Township School District	1,648	3	N/A
County of Gloucester	1,500	4	N/A
Kennedy Health Alliance	1,200	5	N/A
Missa Bay, LLC	950	6	N/A
Monroe Township School District	725	7	N/A
U.S Foodservices	741	8	N/A
DGI Services	600	9	N/A
Delaware Valley Wholesale Florist	500	10	N/A
	<u>10,989</u>		

Source: Information provided by the Gloucester County Office of Economic Development and Employer Directly.
Note: The information provided is for the County of Gloucester. Information at the municipal level is not available.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0
Special Education	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Other Special Education										
Support Services:										
Student & Instruction Related Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
General & Business Administrative Services	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Plant Operations & Maintenance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other Support Services	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total	34.0	34.0	34.0	34.0	34.0	34.0	34.0	34.0	33.0	33.0

Source: District Personnel Records

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2022	247	\$ 5,714,464	23,135	5.49%	27	9.15	249.4	235.7	8.64%	94.50%
2021	230	5,044,164	21,931	12.62%	27	8.52	229.6	221.8	-6.40%	96.60%
2020	245	4,770,839	19,473	-2.98%	27	9.07	245.3	236.8	4.38%	96.53%
2019	235	4,716,700	20,071	4.64%	27	8.70	235.0	222.0	1.56%	94.47%
2018	231	4,430,654	19,180	-0.12%	27	8.56	231.4	218.0	2.30%	94.21%
2017	226	4,339,829	19,203	0.42%	27	8.37	226.2	215.1	0.89%	95.09%
2016	223	4,264,316	19,122	2.81%	27	8.26	224.2	213.5	1.77%	95.23%
2015	221	4,110,447	18,599	3.47%	27	8.19	220.3	209.6	3.09%	95.14%
2014	222	3,990,521	17,975	4.53%	23	9.65	213.7	205.3	-4.38%	96.07%
2013	230	3,955,241	17,197	2.54%	23	10.00	223.5	213.2	1.41%	95.39%

Sources: District records

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

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Elementary Schools:										
Elementary School:										
Square Feet	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671	32,671
Capacity (Students)	259	259	259	259	259	259	259	259	259	259
Enrollment	247	230	245	235	231	226	223	221	222	230

Number of Schools at June 30, 2022:
Elementary = 1

Source: District Office

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

ELEMENTARY
SCHOOL

2022	\$ 50,028
2021	53,811
2020	43,736
2019	34,461
2018	33,039
2017	28,051
2016	47,892
2015	25,827
2014	46,715
2013	17,581

Source: District records

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
INSURANCE SCHEDULE**

I. Property, Inland Marine and Automobile Physical Damages

A. Limit of Liability	\$175,000,000 Per Occurance
1. GCSSD JIF Self Insurance Retention	\$250,000 Per Occurance
2. Member District Deductible	\$500 Per Occurance
3. Perils Incuded	"All Risk"
B. Property Valuation	
1. Building and Contents	Replacement Cost
2. Contractors Equipment	Actual Cash Value
3. Automobiles	Actual Cash Value

II. Boiler and Machinery

A. Limit of Liability	\$125,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$1,000

III. Crine

A. Limit of Liability	\$500,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	\$500

IV. General and Automobile Liability

A. Limit of Liability	\$20,000,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None

V. Workers' Compensation

A. Limit of Liability	Statutory
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None

VI. Educator's Legal Liability

A. Limit of Liability	\$20,000,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None

VII. Pollution Legal Liability

A. Limit of Liability	\$3,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible - Pollution Incident	\$25,000
3. Member District Deductible - Mold Incident	\$100,000-\$250,000

VIII. Cyber Liability (Please see Certificate of Coverage for Covered Districts)

A. Limit of Liability	\$2,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$50,000-\$100,000

IX. Crisis Protection & Disaster Management Services

A. Limit of Liability	\$1,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$10,000

Public employees' faithful performance bonds -

Selective Insurance	
Surety Bond - Treasurer of School Monies	\$145,000
Western Surety Company	
Surety Bond - Business Administrator	\$145,000

Source: District records.

SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Woodbury Heights Borough School District
County of Gloucester
Woodbury Heights, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Woodbury Heights Borough School District (the "School District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 10, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control that we consider to

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be material weakness, described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 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 and are described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001.

School District's Response to Finding

The School District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
March 10, 2023



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Woodbury Heights Borough School District
County of Gloucester
Woodbury Heights, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards 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 School District and to meet our 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 state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School District's 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 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 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 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 New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
March 10, 2023

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2021	CARRY-OVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	BALANCE JUNE 30, 2022	
											DUE TO GRANTOR	UNEARNED REVENUE
U.S. DEPARTMENT OF EDUCATION PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:												
Special Revenue Fund:												
Title I, Part A	84.010	S010A210030	100-034-5064-194	38,092	7/1/21-9/30/22	\$ -	\$ -	37,990	(37,990)	\$ -	\$ -	\$ -
Title II - Part A	84.367	S367A210029	100-034-5063-290	11,352	7/1/21-9/30/22	-	-	4,046	(5,943)	-	-	(1,897)
Title II - Part A	84.367	S367A200029	100-034-5063-290	7,486	7/1/20-9/30/21	(1,976)	-	1,976	-	-	-	-
						(1,976)	-	6,022	(5,943)	-	-	(1,897)
Title IV - Student Support and Enrichment (ESSA)	84.424	S424A210031	100-034-5064-187	10,000	7/1/21-9/30/22	-	-	10,415	(10,000)	-	-	415
						-	-	10,415	(10,000)	-	-	415
COVID-19 Coronavirus Aid Relief CRSSA - ESSER II	84.425D	S425D200027	100-034-5120-513	8,820	7/1/20-6/30/22	-	-	-	(947)	-	-	(947)
ARP - ESSER II	84.425D	S425D200027	100-034-5120-518	55,975	3/13/20-9/30/23	-	-	-	(55,975)	-	-	(55,975)
ARP - ESSER III	84.425D	S425U210027	100-034-5120-513	125,799	3/13/20-9/30/24	-	-	-	(38,431)	-	-	(38,431)
ARP - Learning Acceleration	84.425U	S425U210027	100-034-5120-523	30,000	3/13/20-9/30/24	-	-	-	(1,095)	-	-	(1,095)
ARP - Summer Learning	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	-	-	-	(916)	-	-	(916)
ARP - Beyond School Day	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	-	-	-	(4,211)	-	-	(4,211)
ARP - Mental Health	84.425U	S425U210027	100-034-5120-523	45,000	3/13/20-9/30/24	-	-	-	(3,689)	-	-	(3,689)
COVID-19 CRSSA - Mental Health	84.425D	S425D200027	100-034-5120-518	45,000	3/13/20-9/30/23	(12,000)	-	-	(33,000)	-	-	(45,000)
CRSSA - Learning Acceleration	84.425D	S425D200027	100-034-5120-518	25,000	3/13/20-9/30/23	(12,000)	-	-	(6,540)	-	-	(6,540)
						-	-	-	(144,804)	-	-	(156,804)
Special Education Cluster:												
L.D.E.A. Part B, Basic Regular	84.027	H027A210100	100-034-5065-016	144,477	7/1/21-9/30/22	-	-	127,169	(130,791)	-	-	(3,622)
ARP L.D.E.A. Part B, Basic Regular	84.027X	H027X210100	100-034-5065-094	29,665	7/1/21-9/30/22	-	-	23,506	(29,366)	-	-	(5,860)
L.D.E.A. Part B, Basic Regular	84.027	H027A200100	100-034-5065-017	161,397	7/1/20-9/30/21	(109,237)	-	109,237	-	-	-	-
						(109,237)	-	259,912	(160,157)	-	-	(9,482)
L.D.E.A. Preschool	84.173A	H173A210114	100-034-5065-020	11,454	7/1/21-9/30/22	-	-	-	(11,454)	-	-	(11,454)
ARP L.D.E.A. Preschool	84.173X	H173X200114	100-034-5065-095	2,532	7/1/21-9/30/22	(2,250)	-	1,000	(1,000)	-	-	-
L.D.E.A. Preschool	84.173A	H173A200114	100-034-5065-020	11,254	7/1/20-9/30/21	(2,250)	-	3,250	(12,454)	-	-	(11,454)
Total Special Education Cluster:						(11,487)	-	263,162	(172,611)	-	-	(20,936)
Total U.S. Department of Education						(125,463)	-	317,589	(371,348)	-	-	(179,637)
Total Federal Financial Assistance						(125,463)	\$ -	317,589	(371,348)	\$ -	\$ -	(179,637)
												415

WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	JUNE 30, 2021		ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS'		BALANCE JUNE 30, 2022		MEMO		
				REVENUE/ (ACCOUNTS RECEIVABLE)	UNEARNED	BUDGETARY EXPENDITURES	CASH RECEIVED	(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
State Department of Education:												
General Fund:												
State Aid Public:												
Equalization Aid	495-034-5120-078	\$ 1,065,680	7/1/21-6/30/22	\$ -	\$ 1,065,680	\$ (1,065,680)	\$ -	\$ -	\$ -	\$ 99,140	\$ 1,065,680	
Security Aid	495-034-5120-084	3,952	7/1/21-6/30/22	-	3,952	(3,952)	-	-	-	367	3,952	
Special Education Categorical Aid	495-034-5120-089	134,019	7/1/21-6/30/22	-	134,019	(134,019)	-	-	-	12,468	134,019	
Total State Aid Public				-	1,203,651	(1,203,651)	-	-	-	111,975	1,203,651	
Additional Nonpublic School Transportation Aid	495-034-5120-014	1,160	7/1/21-6/30/22	-	-	(1,160)	-	(1,160)	-	-	1,160	
Additional Nonpublic School Transportation Aid	495-034-5120-014	1,450	7/1/20-6/30/21	(1,450)	1,450	-	-	(29,140)	-	-	29,140	
Extraordinary Aid	495-034-5120-044	29,140	7/1/21-6/30/22	-	-	(29,140)	-	-	-	-	-	
Extraordinary Aid	495-034-5120-044	36,100	7/1/20-6/30/21	(36,100)	36,100	-	-	(6,765)	-	-	6,765	
Reimbursed TPAF Social Security Contributions	495-034-5120-044	138,726	7/1/21-6/30/22	-	131,961	(138,726)	-	-	-	-	138,726	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	134,957	7/1/20-6/30/21	(7,189)	7,189	-	-	-	-	-	-	
On-Behalf TPAF Pension	495-034-5095-002											
Contributions (Noncash Assistance)	495-034-5094-001	670,508	7/1/21-6/30/22	-	670,508	(670,508)	-	-	-	-	670,508	
On-Behalf TPAF Post-Retirement	495-034-5094-002	156,658	7/1/21-6/30/22	-	156,658	(156,658)	-	-	-	-	156,658	
Medical Contributions (Noncash Assistance)	495-034-5094-002											
On-Behalf TPAF Long-Term Disability	495-034-5120-004	191	7/1/21-6/30/22	-	191	(191)	-	-	-	-	191	
Insurance Contributions (Noncash Assistance)	495-034-5120-004											
Total General Fund				(44,739)	2,207,708	(2,200,034)	-	(37,065)	-	111,975	2,200,034	
Special Revenue Fund:												
Passed-State Department of Education:												
N.J. Nonpublic Aid:												
Textbook Aid	100-034-5120-067	18,666	7/1/21-6/30/22	-	18,666	(18,646)	-	-	20	-	18,646	
Nursing Services	100-034-5120-070	34,832	7/1/21-6/30/22	-	34,832	(34,832)	-	-	-	-	34,832	
Security	100-034-5120-509	70,525	7/1/21-6/30/22	-	70,525	(70,525)	-	-	-	-	70,525	
Security	100-034-5120-509	71,400	7/1/20-6/30/21	391	-	-	(391)	-	-	-	-	
Technology	100-034-5120-373	13,062	7/1/21-6/30/22	-	13,062	(13,041)	-	-	21	-	13,041	
Auxiliary Services (Ch. 193):												
Compensatory Education	100-034-5120-067	71,306	7/1/21-6/30/22	-	71,306	(69,872)	-	-	1,434	-	69,872	
Compensatory Education	100-034-5120-067	68,193	7/1/20-6/30/21	4,356	-	-	(4,356)	-	-	-	-	
Transportation	100-034-5120-068	10,380	7/1/21-6/30/22	-	10,380	(6,709)	-	-	3,671	-	6,709	
Transportation	100-034-5120-068	10,281	7/1/20-6/30/21	3,833	-	-	(3,833)	-	-	-	-	
Handicapped Services (Ch. 193):												
Corrective Speech	100-034-5120-066	58,590	7/1/21-6/30/22	-	58,590	(56,637)	-	-	1,953	-	56,637	
Corrective Speech	100-034-5120-066	66,077	7/1/20-6/30/21	3,099	-	-	(3,099)	-	-	-	-	
Examination & Classification	100-034-5120-066	35,465	7/1/21-6/30/22	-	35,465	(34,705)	-	-	760	-	34,705	
Examination & Classification	100-034-5120-066	51,287	7/1/20-6/30/21	372	-	-	(372)	-	-	-	-	
Supplementary Instruction	100-034-5120-066	32,214	7/1/21-6/30/22	-	32,214	(28,332)	-	-	3,882	-	28,332	
Total Special Revenue Fund				12,051	345,040	(333,299)	(12,051)	-	11,741	-	333,299	
Total State Financial Assistance				\$ (32,688)	\$ 2,552,748	\$ (2,533,333)	\$ (12,051)	\$ (37,065)	\$ 11,741	\$ 111,975	\$ 2,533,333	
State Financial Assistance Programs not subject to Calculation for Major Program Determination:												
On-Behalf TPAF Pension Contributions	495-034-5094-001		7/1/21-6/30/22		\$	670,508						
On-Behalf TPAF Post-Retirement Medical Contributions	495-034-5094-002		7/1/21-6/30/22			156,658						
On-Behalf TPAF Long-Term Disability Insurance Contributions	495-034-5120-004		7/1/21-6/30/22			191						
Total State Financial Assistance Subject to Major Program Determination						\$ (1,705,976)						

The Accompanying Notes to Schedule of Expenditures Federal Awards and State Financial Assistance are an Integral Part of this schedule.

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

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

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

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$19,342) for the general fund and (\$4,466) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows;

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 2,180,692	\$ 2,180,692
Special Revenue Fund	<u>366,882</u>	<u>333,299</u>	<u>700,181</u>
Total Awards & Financial Assistance	<u>\$ 366,882</u>	<u>\$ 2,513,991</u>	<u>\$ 2,880,873</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Woodbury Heights Borough School District had no loan balances outstanding at June 30, 2022.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards - NOT APPLICABLE

Internal control over major programs:

1) Material weakness(es) identified? yes no

2) Significant deficiency(ies) identified? yes none reported

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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NOT APPLICABLE

Dollar threshold used to determine Type A programs

Auditee qualified as low-risk auditee? yes no

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

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

Finding No. 2022-001:

Criteria of Specific Requirement:

N.J.A.C. 6A:26-4.1 states capital projects need to be accounted for separately by funding source.

Condition:

The District's accounting system does not separately account for capital projects by funding source.

Context:

The District's accounting system combine revenues and expenditures for all open capital projects.

Cause:

Lack of controls surrounding the accounting for capital projects.

Effect or Potential Effect:

Noncompliance with N.J.A.C. 6A:26-4.1

Recommendation:

That the District implement controls surrounding the accounting for capital projects.

Management Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

**WOODBURY HEIGHTS BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs – N/A

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

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE – N/A

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

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

Financial Statement Findings – N/A

Federal Awards – N/A

State Financial Assistance – N/A