

**WALL TOWNSHIP BOARD OF EDUCATION**

Wall, New Jersey 07719  
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2023**



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



**YEAR ENDED JUNE 30, 2023**

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

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**INTRODUCTORY SECTION**

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

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

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

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February 2, 2024

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

Dear Board Members and Citizens of the Township of Wall:

The Annual Comprehensive Financial Report of the Wall Township Public School District (District) for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2023, and the respective changes in financial position and cash flows, where applicable, for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

## 1. Reporting Entity and its Service

The Wall Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14, amended by GASB Statements No. 39, 61, and 80. All funds of the District are included in this report. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and special education students. In addition, services are provided for pre-school handicapped special needs students. The Wall Township Public School District is comprised of five elementary schools, one middle school and one high school. The District student count at October 15, 2023 was 3,192.

## 2. Economic Condition and Outlook

The district had an increase in state aid for 2022-23 and it is anticipated that this source of revenue will remain consistent, however, the District continues to rely on reserve accounts to fund the annual budget for capital improvements. Township ratables continue to increase annually, effectively reducing the annual impact on individual taxpayers due to the annual tax levy increase.

## 3. Long-Term Financial Planning/Major Initiatives

The 2022-23 budget increased by 4% when compared to the prior year's budget with the Operating Budget totaling \$82,200,000. The increase in the overall budget was largely due to appropriations for instructional technology. The 2022-23 budget included capital expenditures in the amount of \$2,100,000 for district wide paving projects, which was slightly up from the prior year.

## 4. Internal Controls

Management of the District is responsible for establishing and maintaining internal controls that are designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as they pertain to governmental entities. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

## 5. Budgetary Controls and Process

In addition to internal controls, the District maintains budgetary controls. The legal level of budgetary control is established at the line item accounts within each fund. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial 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 an assignment of fund balance at June 30, 2023.

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

#### 6. Financial Policies

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

#### 7. Accounting System and Reports

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

#### 8. Debt Administration

Under the provisions of New Jersey statutes, school districts may not incur indebtedness greater than 4% of the average equalized valuation of taxable property. As of June 30, 2023, the District's outstanding debt issues are below the legal debt margin and are summarized in the "Notes to the Basic Financial Statements".

Through long term planning, the District scheduled a bond referendum to fund necessary building maintenance and facility upgrade capital projects for December 13, 2022. The capital improvements will be implemented over the next two, and possibly three, fiscal years. The management of debt and long-term planning allowed for the bond referendum (\$66,599,206) to take place in the 2022-23 fiscal year, the sale of bonds and retiring of all prior existing long-term debt in the 2023-24 fiscal year, and the start of payments against the 2023 General Obligation bonds (\$66,599,000) in the 2024-25 fiscal year. The long-term planning allows for a stable debt service tax levy on a year-to-year basis when transitioning to the new debt.

It is noted that the Wall Township Public School District continued to maintain its Moody's Investors Services Aa3 rating. Additionally, S&P Global Rating assigned its 'AA' long-term and underlying rating to the Districts Series 2023 General Obligation bonds to be sold in the 2023-24 fiscal year after the district approved a bond referendum in the amount of \$66,599,208 on December 13, 2022. The referendum included two questions, the 1st question in the amount of \$53,078,733 for various projects at multiple schools, and a 2<sup>nd</sup> question in the amount \$13,520,475 for various projects at multiple schools, including athletic complex improvements at Wall High School.

S&P Global Ratings also affirmed its 'AA' rating on the district's existing General Obligation bonds and noted the district's outlook is stable.

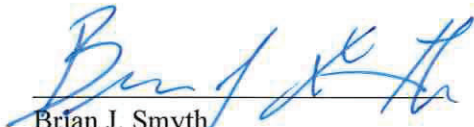
9. Other Information

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


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

10. Acknowledgments

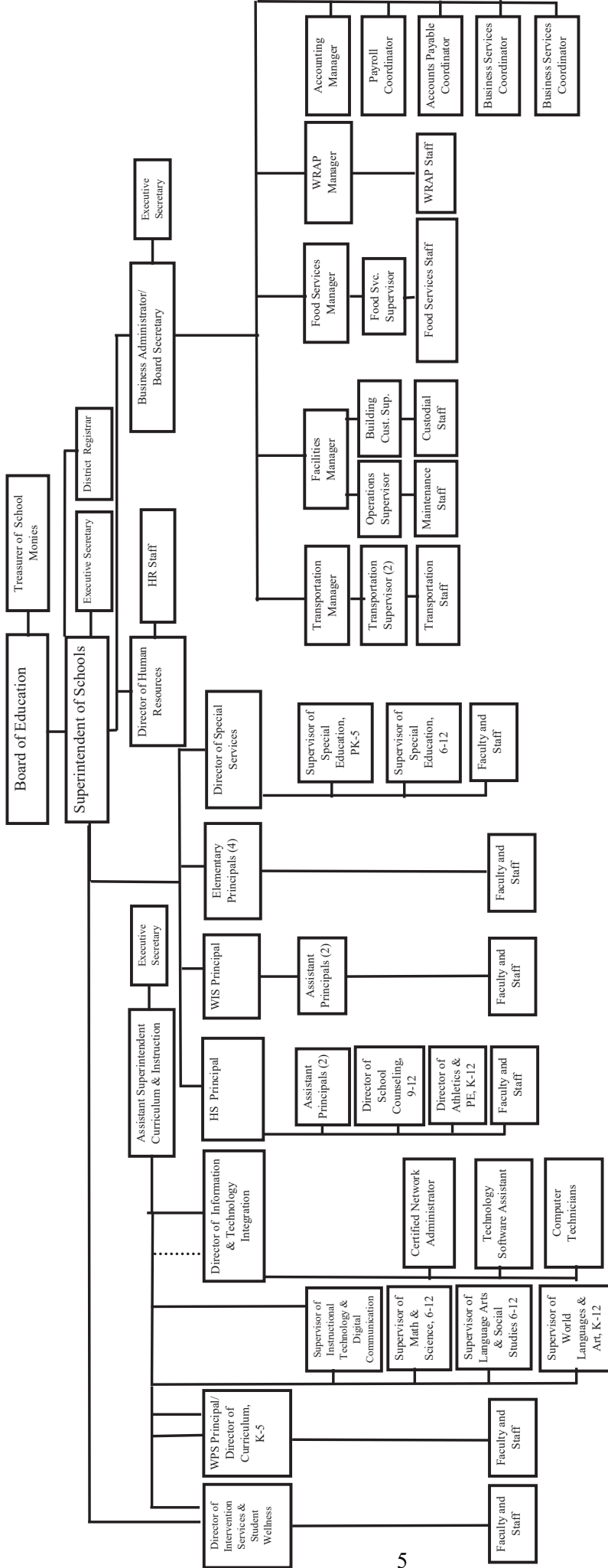
We would like to express our appreciation to the members of the Wall Township Board of Education for their concern in ensuring fiscal responsibility to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation.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



Brian J. Smyth  
Business Administrator



Dr. Tracy Handerman  
Superintendent of Schools



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**WALL TOWNSHIP BOARD OF EDUCATION  
WALL, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2023**

Members of the Board of Education

**TERM EXPIRES**

Christine Steitz, President	December 2024
Adam Nasr, Vice President	December 2024
James Maliff	December 2025
Kathleen DiGiovanni	December 2025
Kristen Hodnett	December 2023
Christopher San Filippo	December 2023
Thomas Buffa	December 2024
Ralph Addonizio	December 2025
Kenneth Wondrack	December 2023

Other Officials

Dr. Tracy Handerhan, Superintendent of Schools	June 2026
Brian Smyth, School Business Administrator/Board Secretary	
Pablo Canela, Treasurer	
Cornell, Merlino, McKeever, & Osborne, Board Attorney	

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**WALL TOWNSHIP BOARD OF EDUCATION  
WALL, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2023**

**AUDITOR/AUDIT FIRM**

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

**ATTORNEY**

Cornell, Merlino, McKeever, & Osborne  
238 St. Paul Street  
Westfield, New Jersey 07090

**OFFICIAL DEPOSITORY**

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

**FINANCIAL ADVISOR**

Phoenix Advisors  
4 West Park Street  
Bordentown, New Jersey 08505

**HEALTH BENEFIT INSURANCE BROKER**

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

**PROPERTY & CASUALTY INSURANCE BROKER**

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

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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Wall Township Public School District

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon, CAE  
Chief Operations Officer/  
Interim Executive Director

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**FINANCIAL SECTION**

Second Section

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Certified Public Accountants + Advisors

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Wall Township School District, County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### **Emphasis of Matter**

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

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

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

## **Auditor's Responsibility**

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

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2024 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey  
February 2, 2024

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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## WALL TOWNSHIP BOARD OF EDUCATION

### MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2023

This section of the Wall Township Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2022-2023) and the prior fiscal year (2021-2022) is required to be presented in the MD&A.

#### FINANCIAL HIGHLIGHTS

Key financial highlights for 2023 are as follows:

- In total, net position of governmental activities increased \$2,620,022, which represents an 11.58% increase from fiscal year 2022. Total net position of business-type activities increased \$329,312, which represents a 43.33% increase from fiscal year 2022.
- General revenues accounted for \$79,161,065 in revenue or 80.79% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$18,824,549 or 19.21% of total revenues of \$97,985,614.
- Total assets of governmental activities decreased by \$3,882,936 as cash and cash equivalents and restricted cash decreased by \$3,951,178, receivables increased by \$308,718, and total capital assets decreased by \$240,476.
- Total liabilities of governmental activities increased by \$315,810 as accounts payable decreased by \$612,437 and non-current liabilities increased by \$886,050.
- The District had \$93,313,250 in governmental activity expenses; only \$15,680,141 of these expenses were offset by program specific grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$79,138,620 were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$2,620,022.
- In the governmental funds, the general fund had \$95,656,115 in revenues, \$98,358,847 in expenditures. The general fund's fund balance decreased by \$2,702,732 over fiscal year 2022.

#### USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

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

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

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

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

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

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

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

### ***Governmental Funds***

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

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



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

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

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

### ***Proprietary Funds***

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

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

### ***Fiduciary Funds***

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

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

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

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

### **Government-Wide Financial Analysis**

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

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

**Net Position**  
**June 30,**

	Governmental Activities		Business-Type Activities	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 13,798,188	\$ 17,440,648	\$ 1,107,868	\$ 752,395
Capital Assets, Net	38,324,321	38,564,797	21,905	34,773
Total Assets	<u>52,122,509</u>	<u>56,005,445</u>	<u>1,129,773</u>	<u>787,168</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	2,635,603	2,040,962	-	-
Deferred Charges on Refunding of Debt	16,050	38,972	-	-
Total				
Deferred Outflows of Resources	<u>2,651,653</u>	<u>2,079,934</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-Term Liabilities	22,763,560	21,877,510	-	-
Other Liabilities	3,710,328	4,280,568	40,488	27,195
Total Liabilities	<u>26,473,888</u>	<u>26,158,078</u>	<u>40,488</u>	<u>27,195</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	3,061,856	9,308,905	-	-
Total				
Deferred Inflows of Resources	<u>3,061,856</u>	<u>9,308,905</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	35,345,032	32,742,346	21,905	34,773
Restricted	7,827,325	8,316,445	-	-
Unrestricted	(17,933,939)	(18,440,395)	1,067,380	725,200
Total Net Position	<u>\$ 25,238,418</u>	<u>\$ 22,618,396</u>	<u>\$ 1,089,285</u>	<u>\$ 759,973</u>

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Net Investment in Capital Assets represents resources that are subject to external restrictions on how they may be used. Within this category, the investment amount of \$35,345,032 represents primarily the capital investment. The Net Investment in Capital Assets, also includes the portion of capital assets not yet fully depreciated at June 30, 2023.

Restricted net position decreased \$489,120 from the prior year to \$7,827,325 at June 30, 2023.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$17,933,939) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2023 and 2022. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<b><u>June 30, 2023</u></b>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ 1,114,511	\$ 1,470,814	\$ 2,585,325
Operating Grants and Contributions	15,680,141	559,083	16,239,224
General Revenues:			
Property Taxes	72,651,107	-	72,651,107
Federal and State Aid	6,247,122	-	6,247,122
Miscellaneous	240,391	22,445	262,836
Total Revenues	<u>95,933,272</u>	<u>2,052,342</u>	<u>97,985,614</u>
<b>Expenses:</b>			
Instructional Services	55,997,773	-	55,997,773
Support Services	37,305,861	1,723,030	39,028,891
Interest and Other Charges	9,616	-	9,616
Total Expenses	<u>93,313,250</u>	<u>1,723,030</u>	<u>95,036,280</u>
Change in Net Position	2,620,022	329,312	2,949,334
Net Position, Beginning	<u>22,618,396</u>	<u>759,973</u>	<u>23,378,369</u>
Net Position, Ending	<u>\$ 25,238,418</u>	<u>\$ 1,089,285</u>	<u>\$ 26,327,703</u>

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

### Financial Analysis of the District's Funds

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

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

### Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2023 and 2022 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	<u>June 30, 2023</u>			
	Amount	Percent Of Total	Increase (Decrease) From 2022	Percent of Increase (Decrease)
Local Tax Levy	\$ 72,651,107	71.49%	\$ 1,189,121	1.66%
Tuition Charges	1,114,511	1.10%	125,077	12.64%
Miscellaneous	990,080	0.97%	243,002	32.53%
State Sources	24,757,535	24.36%	945,542	3.97%
Federal Sources	2,108,332	2.07%	(378,884)	-15.23%
Total	<u>\$ 101,621,565</u>	<u>100.00%</u>	<u>\$ 2,123,858</u>	<u>2.13%</u>

**June 30, 2022**

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

The increase in the local tax levy is necessary to support the District's 2022 - 2023 general fund budget. Tuition charges increased in 2022 - 2023 due to an increase in the number of students received from other districts into the District's programs.

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2023 and 2022 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

**June 30, 2023**

	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 37,478,791	35.79%	\$ 507,164	1.37%
Undistributed	62,477,150	59.65%	3,257,256	5.50%
Capital Outlay	1,918,773	1.83%	(166,911)	-8.00%
Debt Service:				
Principal	2,657,224	2.54%	(97,776)	-3.55%
Interest	200,241	0.19%	(132,497)	-39.82%
<b>Total</b>	<b>\$ 104,732,179</b>	<b>100.00%</b>	<b>\$ 3,367,236</b>	<b>3.32%</b>

**June 30, 2022**

	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 36,971,627	36.47%	\$ 985,936	2.74%
Undistributed	59,219,894	58.42%	10,697,735	22.05%
Capital Outlay	2,085,684	2.06%	490,342	30.74%
Debt Service:				
Principal	2,755,000	2.72%	95,000	3.57%
Interest	332,738	0.33%	(125,320)	-27.36%
<b>Total</b>	<b>\$ 101,364,943</b>	<b>100.00%</b>	<b>\$ 12,143,693</b>	<b>13.61%</b>

## General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2022-2023 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

### Significant Budget Transfers and Variations:

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2022-2023 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2022-2023 unassigned fund balance decreased by \$1,037,508 to \$2,457,270 (2% required per S-1701, net of allowable adjustments).

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

The Food Services Enterprise Fund showed a change in net position of \$257,472 in 2022-2023 as compared to a change in net position of \$426,125 in 2021-2022. Operating revenues increased by 149.48% in 2022-2023 while operating expenses decreased 12.13%. The food service incurred an operating loss of (\$305,049) in 2022-2023, as compared to an operating loss of (\$1,142,676) in 2021-2022. Funding from the State and Federal Government under the State and National Programs decreased \$1,008,443 from 2021-2022 to 2022-2023. The unrestricted net position of the food service program was \$833,688 and the restricted amount of Net Investment in Capital Assets totaled \$21,905 at June 30, 2023. Although the food service operation operating income is still a loss, the district has recognized an increase in Net Position in the current year due to nonoperating revenues. The District continues to consult with a food service advisor and maintains that the operating income will be profitable in the foreseeable future.

The Before and After School Programs Fund showed a change in net position of \$98,804 in 2022-2023 as compared to a change in net position of \$80,833 in 2021-2022. Operating revenues increased by 1.50% in 2022-2023 while operating expenses increased 0.02%. The Before and After School Program incurred an operating income of \$79,933 in 2022-2023, as compared to an operating income of \$80,567 in 2021-2022.

The Chromebook Enterprise Fund showed a change in net position of (\$26,964) in 2022-2023 as compared to a change in net position of \$471 in 2021-2022. Operating revenues increased by 627.27% in 2022-2023 while the fund has incurred operational expenses of \$29,500 compared to \$0 in 2021-2022. The Chromebook Enterprise Fund incurred an operating loss of \$27,100 in 2022-2023, as compared to operating income of \$330 in 2021-2022.

## Capital Assets

At June 30, 2023 the District has capital assets of \$38,346,226 net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2023</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 534,652	\$ -
Land Improvements	34,329,170	-
Buildings/Construction	201,342	-
Machinery and Equipment	2,805,383	21,905
Total	<u>\$ 38,324,321</u>	<u>\$ 21,905</u>

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

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

### **Debt Administration and Other Obligations**

At June 30, 2023, the District's outstanding debt issues included \$2,410,000 respectively of general obligation bonds (2015 refunding bonds), \$109,130 and \$378,578 respectively of financed purchases (2020 School Buses and 2022 School Buses), \$141,777 respectively of unamortized bond premiums and \$1,739,871 in compensated absences payable.

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

### **Economic Factors and Subsequent Year's Budgets**

- The District anticipates that the approved 2023-2024 budget will be adequate to satisfy all 2023-2024 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- At this time it appears that it will be a challenge to sustain the level of surplus utilization the District has used in funding budgets in recent years. The excess surplus available for use in the 2023-2024 budget is \$-0-.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2023-2024.

### **Requests for Information**

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

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**BASIC FINANCIAL STATEMENTS**

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**A. Government-Wide Financial Statements**

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**WALL TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	GOVERNMENTAL		BUSINESS-TYPE		TOTAL
	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES	
<b>ASSETS:</b>					
Cash & Cash Equivalents	\$ 3,546,353	\$ 974,124	\$	4,520,477	
Receivables, Net (Note 4)	2,090,949	56,659		2,147,608	
Inventory	-	5,785		5,785	
Cash Held with Fiscal Agents	243,420	-		243,420	
Restricted Cash & Cash Equivalents	7,917,466	-		7,917,466	
Capital Assets, Net (Note 5)					
Non-Depreciable	988,426	-		988,426	
Depreciable	37,335,895	21,905		37,357,800	
Total Assets	52,122,509	1,058,473		53,180,982	
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Related to Pensions (Note 8)	2,635,603	-		2,635,603	
Related to Loss on Debt Refunding	16,050	-		16,050	
Total Deferred Outflow of Resources	2,651,653	-		2,651,653	
<b>LIABILITIES:</b>					
Accounts Payable	897,685	1,296		898,981	
Due to Other Governments	1,542,503	-		1,542,503	
Unearned Revenue	98,396	39,192		137,588	
Accrued Interest	61,005	-		61,005	
Payroll Deductions & Withholdings	1,048	-		1,048	
Unemployment Liability	136,435	-		136,435	
Internal Balances	71,300	(71,300)		-	
Other Current Liabilities	901,956	-		901,956	
Noncurrent Liabilities (Note 7):					
Due Within One Year	2,782,521	-		2,782,521	
Due in More Than One Year	19,981,039	-		19,981,039	
Total Liabilities	26,473,888	(30,812)		26,443,076	
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Related to Pensions (Note 8)	3,061,856	-		3,061,856	
Total Deferred Inflow of Resources	3,061,856	-		3,061,856	
<b>NET POSITION:</b>					
Net Investment in Capital Assets	35,345,032	21,905		35,366,937	
Restricted for:					
Capital Projects	5,086,378	-		5,086,378	
Debt Service	8,596	-		8,596	
Emergency Reserve	381,933	-		381,933	
Maintenance Reserve	1,709,613	-		1,709,613	
Unemployment Reserves	285,768	-		285,768	
Scholarship Reserve	38,461	-		38,461	
Student Activities Reserve	316,576	-		316,576	
Unrestricted (Deficit)	(17,933,939)	1,067,380		(16,866,559)	
Total Net Position	\$ 25,238,418	\$ 1,089,285	\$	26,327,703	

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

WALL TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 36,462,029	\$ 1,114,511	\$ 7,970,517	\$ (27,377,001)	\$ -	\$ (27,377,001)
Special Education Instruction	15,558,333	-	2,728,486	(12,829,847)	-	(12,829,847)
Vocational Education	785,091	-	48,096	(736,995)	-	(736,995)
Other Instruction	1,498,210	-	262,743	(1,235,467)	-	(1,235,467)
School Sponsored Cocurricular/Athletics	1,694,110	-	103,785	(1,590,325)	-	(1,590,325)
Support Services:						
Student & Instruction Related Services	12,175,683	-	745,909	(11,429,774)	-	(11,429,774)
General Administrative	1,641,072	-	100,536	(1,540,536)	-	(1,540,536)
School Administrative Services	4,214,699	-	1,789,250	(2,425,449)	-	(2,425,449)
Central Services	1,079,387	-	66,126	(1,013,261)	-	(1,013,261)
Administrative Info. Technology	1,051,917	-	64,443	(987,474)	-	(987,474)
Plant Operations & Maintenance	9,307,757	-	591,783	(8,715,974)	-	(8,715,974)
Pupil Transportation	7,146,575	-	437,815	(6,708,760)	-	(6,708,760)
Transfer to Charter Schools	688,772	-	42,196	(646,576)	-	(646,576)
Interest & Other Charges	9,616	-	728,457	718,841	-	718,841
Total Governmental Activities	93,313,250	1,114,511	15,680,141	(76,518,598)	-	(76,518,598)
Business-Type Activities:						
Food Service	1,384,212	1,079,163	559,083	-	254,034	254,034
Before and After School Programs	309,318	389,251	-	-	79,933	79,933
Chromebooks	29,500	2,400	-	-	(27,100)	(27,100)
Total Business-Type Activities	1,723,030	1,470,814	559,083	-	306,867	306,867
Total Primary Government	\$ 95,036,280	\$ 2,585,325	\$ 16,239,224	(76,518,598)	306,867	(76,211,731)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				70,521,283	-	70,521,283
Property Taxes, Levied for Debt Service				2,129,824	-	2,129,824
Federal & State Aid Not Restricted				6,247,122	-	6,247,122
Miscellaneous				240,391	22,445	262,836
Total General Revenues				79,138,620	22,445	79,161,065
Change In Net Position				2,620,022	329,312	2,949,334
Net Position - Beginning				22,618,396	759,973	23,378,369
Net Position - Ending				\$ 25,238,418	\$ 1,089,285	\$ 26,327,703

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

**B. Fund Financial Statements**

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**Governmental Funds**

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**WALL TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2023**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 4,132,622	\$ -	\$ -	\$ 8,596	\$ 4,141,218
Cash Held with Fiscal Agents	243,420	-	-	-	243,420
Receivables, Net:					
Due from Other Governments:					
Federal	-	580,845	-	-	580,845
State	1,377,433	-	-	-	1,377,433
Local	-	30,454	-	-	30,454
Other Receivables	99,551	2,666	-	-	102,217
Restricted Cash & Cash Equivalents	7,917,466	-	-	-	7,917,466
<b>Total Assets</b>	<b>\$ 13,770,492</b>	<b>\$ 613,965</b>	<b>\$ -</b>	<b>\$ 8,596</b>	<b>\$ 14,393,053</b>
<b>LIABILITIES &amp; FUND BALANCES</b>					
<b>Liabilities:</b>					
Cash Deficit	\$ -	\$ 141,091	\$ 453,774	\$ -	\$ 594,865
Accounts Payable	876,908	20,777	-	-	897,685
Intergovernmental Payable:					
State	-	2,666	-	-	2,666
Interfund Payable	4,708	66,592	-	-	71,300
Unearned Revenue	70,594	27,802	-	-	98,396
Other Current Liabilities	901,956	-	-	-	901,956
Payroll Deductions & Withholdings	1,048	-	-	-	1,048
Unemployment Liability	136,435	-	-	-	136,435
<b>Total Liabilities</b>	<b>1,991,649</b>	<b>258,928</b>	<b>453,774</b>	<b>-</b>	<b>2,704,351</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital Reserve	5,540,152	-	-	-	5,540,152
Maintenance Reserve	1,709,613	-	-	-	1,709,613
Emergency Reserve	381,933	-	-	-	381,933
Unemployment Reserve	285,768	-	-	-	285,768
Scholarship Reserve	-	38,461	-	-	38,461
Student Activities Reserve	-	316,576	-	-	316,576
Capital Projects	-	-	(453,774)	-	(453,774)
Debt Service	-	-	-	8,596	8,596
<b>Assigned to:</b>					
Other Purposes	292,923	-	-	-	292,923
Designated for Subsequent Year's Expenditures	1,604,734	-	-	-	1,604,734
Unassigned	1,963,720	-	-	-	1,963,720
<b>Total Fund Balances</b>	<b>11,778,843</b>	<b>355,037</b>	<b>(453,774)</b>	<b>8,596</b>	<b>11,688,702</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 13,770,492</b>	<b>\$ 613,965</b>	<b>\$ -</b>	<b>\$ 8,596</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$74,377,882 and the accumulated depreciation is \$35,564,797.	38,324,321
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows Related to Pensions	2,635,603
Deferred Inflows Related to Pensions	(3,061,856)
Deferred Outflow Related to the Loss on Bond Refunding of Debt	16,050
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(61,005)
Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,539,837)
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.	(22,763,560)
<b>Net Position of Governmental Activities</b>	<b>\$ 25,238,418</b>

**WALL TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2023**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 70,521,283	\$ -	\$ -	\$ 2,129,824	\$ 72,651,107
Tuition Charges	1,114,511	-	-	-	1,114,511
Miscellaneous	240,391	749,689	-	-	990,080
Total Local Sources	71,876,185	749,689	-	2,129,824	74,755,698
State Sources	23,735,073	294,005	-	728,457	24,757,535
Federal Sources	44,857	2,063,475	-	-	2,108,332
Total Revenues	95,656,115	3,107,169	-	2,858,281	101,621,565
Current Expenditures:					
Instruction:					
Regular Instruction	22,678,982	1,576,121	-	-	24,255,103
Special Education Instruction	10,349,643	-	-	-	10,349,643
Vocational Education	594,522	-	-	-	594,522
Other Instruction	996,632	-	-	-	996,632
School Sponsored CoCurricular/Athletics	1,282,891	-	-	-	1,282,891
Support Services:					
Attendance & Social Work Services	676,614	-	-	-	676,614
Health Services	859,600	-	-	-	859,600
Student & Instruction Related Services	6,190,259	1,493,752	-	-	7,684,011
General Administrative	1,242,727	-	-	-	1,242,727
School Administrative Services	3,191,646	-	-	-	3,191,646
Central Services	817,382	-	-	-	817,382
Administrative Information Technology	796,581	-	-	-	796,581
Plant Operations & Maintenance	7,315,064	-	-	-	7,315,064
Pupil Transportation	5,411,855	-	-	-	5,411,855
Unallocated Benefits	16,427,279	-	-	-	16,427,279
On Behalf TPAF Pension and Social Security Contributions	17,532,808	-	-	-	17,532,808
Transfer to Charter Schools	521,583	-	-	-	521,583
Capital Outlay	1,464,999	-	453,774	-	1,918,773
Debt Service:					
Principal	-	-	-	2,657,224	2,657,224
Interest & Other Charges	7,780	-	-	192,461	200,241
Total Expenditures	98,358,847	3,069,873	453,774	2,849,685	104,732,179
Excess/(Deficiency) of Revenues Over Expenditures	(2,702,732)	37,296	(453,774)	8,596	(3,110,614)
Net Changes in Fund Balances	(2,702,732)	37,296	(453,774)	8,596	(3,110,614)
Fund Balance, July 1	14,481,575	317,741	-	-	14,799,316
Fund Balance, June 30	\$ 11,778,843	\$ 355,037	\$ (453,774)	\$ 8,596	\$ 11,688,702

**WALL TOWNSHIP BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

Total Net Changes in Fund Balances - Governmental Funds (B-2)		\$ (3,110,614)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
	Depreciation Expense	\$ (2,159,249)
	Capital Outlays	<u>1,918,773</u>
		(240,476)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		3,015,403
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		3,009,307
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
	Amortization of Premium on Bonds	141,777
	Amortization of Loss on Bond Refunding	<u>(22,919)</u>
		118,858
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		71,767
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(244,223)</u>
Change in Net Position of Governmental Activities		<u>\$ 2,620,022</u>

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## **Proprietary Funds**

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**WALL TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2023**

	<u>MAJOR FUND</u>			<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>	<b>TOTALS</b>
	<b>FOOD SERVICE</b>	<b>BEFORE AND AFTER SCHOOL PROGRAMS</b>	<b>CHROME BOOKS</b>		
<b>ASSETS</b>					
Current Assets:					
Cash & Cash Equivalents	\$ 775,377	\$ 195,696	\$ 3,051	\$	974,124
Accounts Receivable:					
Federal	54,009	-	-		54,009
State	2,495	-	-		2,495
Allowance for Uncollectible Accounts Receivable	-	155	-		155
Interfund Receivable	30,010	41,290	-		71,300
Inventories	5,785	-	-		5,785
<b>Total Current Assets</b>	<b>867,676</b>	<b>237,141</b>	<b>3,051</b>		<b>1,107,868</b>
Noncurrent Assets:					
Capital Assets	598,277	-	-		598,277
Less: Accumulated Depreciation	(576,372)	-	-		(576,372)
<b>Total Capital Assets, Net</b>	<b>21,905</b>	<b>-</b>	<b>-</b>		<b>21,905</b>
<b>Total Noncurrent Assets</b>	<b>21,905</b>	<b>-</b>	<b>-</b>		<b>21,905</b>
<b>Total Assets</b>	<b>\$ 889,581</b>	<b>\$ 237,141</b>	<b>\$ 3,051</b>	<b>\$</b>	<b>1,129,773</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	\$ 1,296	\$ -	\$ -	\$	1,296
Unearned Revenue	32,692	6,500	-		39,192
<b>Total Current Liabilities</b>	<b>33,988</b>	<b>6,500</b>	<b>-</b>		<b>40,488</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	21,905	-	-		21,905
Unrestricted	833,688	230,641	3,051		1,067,380
<b>Total Net Position</b>	<b>\$ 855,593</b>	<b>\$ 230,641</b>	<b>\$ 3,051</b>	<b>\$</b>	<b>1,089,285</b>

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

**WALL TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
YEAR ENDED JUNE 30, 2023**

	<u>MAJOR FUND</u>			<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>
	<b>FOOD SERVICE</b>	<b>BEFORE AND AFTER SCHOOL PROGRAMS</b>	<b>CHROME BOOKS</b>	
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 2,012	\$ -	\$ -	\$ 2,012
Daily Sales - Non-Reimbursable Programs	1,056,805	-	-	1,056,805
Program Fees	-	389,251	-	389,251
Miscellaneous	20,346	-	2,400	22,746
<b>Total Operating Revenues</b>	<b>1,079,163</b>	<b>389,251</b>	<b>2,400</b>	<b>1,470,814</b>
Operating Expenses:				
Cost of Sales - Reimbursable Programs	335,418	-	-	335,418
Cost of Sales - Non Reimbursable	227,427	-	-	227,427
Salaries	517,614	188,126	-	705,740
Employee Benefits	189,044	37,682	-	226,726
Supplies and Materials	60,377	1,186	29,500	91,063
Depreciation	17,418	-	-	17,418.00
Purchased Property Services	-	80,340	-	80,340
Other	36,914	1,984	-	38,898
<b>Total Operating Expenses</b>	<b>1,384,212</b>	<b>309,318</b>	<b>29,500</b>	<b>1,723,030</b>
<b>Operating Income/(Loss)</b>	<b>(305,049)</b>	<b>79,933</b>	<b>(27,100)</b>	<b>(252,216)</b>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	13,977	-	-	13,977
State School Breakfast Program	516	-	-	516
Federal Sources:				
National School Lunch Program	281,296	-	-	281,296
National School Breakfast Program	27,876	-	-	27,876
Food Distribution Program	78,769	-	-	78,769
Supply Chain Assistance Program	156,649	-	-	156,649
Interest Revenue	3,438	18,871	136	22,445
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>562,521</b>	<b>18,871</b>	<b>136</b>	<b>581,528</b>
Change in Net Position	257,472	98,804	(26,964)	329,312
Total Net Position - Beginning	598,121	131,837	30,015	759,973
<b>Total Net Position - Ending</b>	<b>\$ 855,593</b>	<b>\$ 230,641</b>	<b>\$ 3,051</b>	<b>\$ 1,089,285</b>

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

**WALL TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023**

	<u>MAJOR FUND</u>			<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>
	<b>FOOD SERVICE</b>	<b>BEFORE AND AFTER SCHOOL PROGRAMS</b>	<b>CHROME BOOKS</b>	
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 1,079,810	\$ 395,875	\$ 2,400	\$ 1,478,085
Payments to Employees	(517,614)	(188,126)	-	(705,740)
Payments for Employee Benefits	(189,044)	(37,682)	-	(226,726)
Payments to Suppliers	(616,333)	(85,943)	(29,500)	(731,776)
Net Cash Provided by/(Used for) Operating Activities	(243,181)	84,124	(27,100)	(186,157)
Cash Flows From Noncapital Financing Activities:				
State Sources	14,493	-	-	14,493
Federal Sources	465,821	-	-	465,821
Net Cash Provided by/(Used for) Noncapital Financing Activities	480,314	-	-	480,314
Cash Flows From Investing Activities:				
Capital Assets	(4,550)	-	-	(4,550)
Interest	3,438	18,871	136	22,445
Net Cash Provided by/(Used for) Investing Activities	(1,112)	18,871	136	17,895
Net Increase/(Decrease) in Cash & Cash Equivalents	236,021	102,995	(26,964)	312,052
Balances - Beginning of Year	539,356	92,701	30,015	662,072
Balances - End of Year	\$ 775,377	\$ 195,696	\$ 3,051	\$ 974,124
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>				
Operating Income/(Loss)	\$ (305,049)	\$ 79,933	\$ (27,100)	\$ (252,216)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	17,418	-	-	17,418
Food Distribution Program	78,769	-	-	78,769
(Increase)/Decrease in Accounts Receivable, Net	32,669	123	-	32,792
(Increase)/Decrease in Inventories	(4,914)	-	-	(4,914)
(Increase)/Decrease in Allowance for Uncollectible Accounts Receivable	-	1	-	1
(Increase)/Decrease in Interfund Accounts Receivable	(30,010)	-	-	(30,010)
Increase/(Decrease) in Unearned Revenue	(2,012)	6,500	-	4,488
Increase/(Decrease) in Accounts Payable	(30,052)	(2,433)	-	(32,485)
Total Adjustments	61,868	4,191	-	66,059
Net Cash Provided/(Used) by Operating Activities	\$ (243,181)	\$ 84,124	\$ (27,100)	\$ (186,157)

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

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**Fiduciary Fund**  
*Not Applicable*

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**WALL TOWNSHIP BOARD OF EDUCATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023**

**Note 1. Summary of Significant Accounting Policies**

**Basis of Presentation**

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

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grades levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2023 of 3,214 students.

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

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

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

**Component Units**

GASB Statement No.14, *The Financial Reporting Entity* , provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* , and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34* , GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84* . The School District had no component units as of for the year ended June 30, 2023.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Basis of Accounting, Measurement Focus and Financial Statement Presentation**

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

**A. Government-Wide Financial Statements**

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

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

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

**B. Governmental Fund Financial Statements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

The School District reports the following major governmental funds:

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

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

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

**Special Revenue Fund** - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

**Capital Projects Fund** - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

**C. Proprietary Fund Financial Statements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

The School District reports the following major proprietary funds:

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

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

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

**D. Fiduciary Fund Financial Statements**

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

The School District has no fiduciary funds.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Budgets/Budgetary Control**

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

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

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

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

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

**Encumbrances**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

**Cash, Cash Equivalents and Investments**

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

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

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

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

**Tuition Receivable/Payable**

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

**Inventories**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Restricted Assets**

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

**Interfund Receivables/Payables**

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

**Capital Assets**

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

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

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

**Compensated Absences**

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

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



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**Interfund Activity**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Deferred Loss on Refunding Debt**

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Pensions**

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

**Fund Balance**

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

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

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

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

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

**Net Position**

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

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

Restricted – This component of net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and February 2, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

- Statement No. 96, *Subscription-Based Information Technology Arrangements* .
- Statement No. 99, *Omnibus 2022* .

Management has determined the implementation these Statements did not have a significant impact on the Districts' financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

The following GASB Statements will become effective in future fiscal periods:

- Statement No. 100, *Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62*. The effective date is for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences* . The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Management has not yet determined the the potential impact on the District's financial statements.

**Note 2. Deposits and Investments**

**Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District’s bank balance of \$16,719,539 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	13,814,225
Uninsured and Uncollateralized		2,905,314
Total	\$	16,719,539

**Investments**

The School District had no investments at June 30, 2023.

**Note 3. Reserve Accounts**

**Capital Reserve**

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 3. Reserve Accounts (Continued)**

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	4,893,128
Increased by:		
Interest Earnings		4,000
Deposits Approved by Board		2,743,024
		7,640,152
Decreased by:		
Budget Withdrawals		2,100,000
		2,100,000
Ending Balance, June 30, 2023	\$	5,540,152

Maintenance Reserve

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

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

The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	2,031,378
Increased by:		
Interest Earnings		500
Deposits Approved by Board		277,735
		2,309,613
Decreased by:		
Budget Withdrawals		600,000
		600,000
Ending Balance, June 30, 2023	\$	1,709,613

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 3. Reserve Accounts (Continued)**

Emergency Reserve

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

The activity of the emergency reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	790,400
Increased by:		
Interest Earnings		500
Deposits Approved by Board		42,285
		833,185
Decreased by:		
Budget Withdrawals		451,252
Ending Balance, June 30, 2023	\$	381,933

Unemployment Claim Reserve

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

The activity of the unemployment claim reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$	283,798
Increased by:		
Interest Earnings		1,970
Ending Balance, June 30, 2023	\$	285,768

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2023 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, 2023, consisted of the following:

<u>Description</u>	Governmental Funds		Total Governmental Activities
	<u>General Fund</u>	Special Revenue <u>Fund</u>	
Federal Awards	\$ -	\$ 580,845	\$ 580,845
State Awards	1,377,433	-	1,377,433
Other	99,551	33,120	132,671
Total	\$ 1,476,984	\$ 613,965	\$ 2,090,949

<u>Description</u>	Proprietary Funds		Total Business-Type Activities
	<u>Food Service Fund</u>	Before And After School Programs <u>Fund</u>	
Federal Awards	\$ 54,009	\$ -	\$ 54,009
State Awards	2,495	-	2,495
Other	-	155	155
Total	\$ 56,504	\$ 155	\$ 56,659

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2023 was as follows:

	Governmental Activities			Balance June 30, 2023
	Balance July 1, 2022	Additions	Retirements and Transfers	
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 534,652	\$ -	\$ -	\$ 534,652
Construction in Progress	-	453,774	-	453,774
<b>Total Capital Assets not being depreciated</b>	<b>534,652</b>	<b>453,774</b>	<b>-</b>	<b>988,426</b>
Capital Assets being depreciated:				
Buildings and Building Improvements	59,637,070	1,347,039	-	60,984,109
Improvements Other Than Buildings	2,280,531	-	-	2,280,531
Machinery and Equipment	11,925,629	117,960	-	12,043,589
<b>Total Capital Assets being depreciated</b>	<b>73,843,230</b>	<b>1,464,999</b>	<b>-</b>	<b>75,308,229</b>
Less: Accumulated Depreciation:				
Buildings and Building Improvements	(25,162,319)	(1,492,620)	-	(26,654,939)
Improvements Other Than Buildings	(2,054,089)	(25,100)	-	(2,079,189)
Machinery and Equipment	(8,596,677)	(641,529)	-	(9,238,206)
<b>Total Accumulated Depreciation</b>	<b>(35,813,085)</b>	<b>(2,159,249)</b>	<b>-</b>	<b>(37,972,334)</b>
<b>Total Capital Assets being depreciated, net</b>	<b>38,030,145</b>	<b>(694,250)</b>	<b>-</b>	<b>37,335,895</b>
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 38,564,797</b>	<b>\$ (240,476)</b>	<b>\$ -</b>	<b>\$ 38,324,321</b>
<b>Business-Type Activities</b>				
	Balance July 1, 2022	Additions	Retirements and Transfers	Balance June 30, 2023
<b>Business-Type Activities:</b>				
Machinery and Equipment	\$ 593,727	\$ 4,550	\$ -	\$ 598,277
<b>Total Capital Assets being depreciated</b>	<b>593,727</b>	<b>4,550</b>	<b>-</b>	<b>598,277</b>
Less: Accumulated Depreciation:				
Machinery and Equipment	(558,954)	(17,418)	-	(576,372)
<b>Total Capital Assets being depreciated, net</b>	<b>(558,954)</b>	<b>(17,418)</b>	<b>-</b>	<b>(576,372)</b>
<b>Total Business-Type Activities Capital Assets, net</b>	<b>\$ 34,773</b>	<b>\$ (12,868)</b>	<b>\$ -</b>	<b>\$ 21,905</b>

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 5. Capital Assets (Continued)**

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

Governmental Activities

Instruction:

Regular Instruction	\$	793,577
Special Education Instruction		338,619
Vocational Education		19,452
Other Instruction		32,608
School Sponsored Cocurricular/Athletics		41,974

Support Services:

Student & Instruction Related Services		301,667
General Administrative		40,659
School Administrative Services		104,424
Central Services		26,743
Administrative Info. Technology		26,062
Plant Operations & Maintenance		239,334
Pupil Transportation		177,065

Total Depreciation Expense - Governmental Activities	\$	2,142,184
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Business-Type Activities

Food Service Fund	\$	12,868
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Total Depreciation Expense - Business-Type Activities	\$	3,071,006
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**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 4,708
Special Revenue Fund	-	66,592
Before and After-School Programs	41,290	-
Food Service Fund	30,010	-
	\$ 71,300	\$ 71,300

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

There were no interfund transfers for the year ended June 30, 2023.



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 7. Long-Term Obligations**

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2023</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 5,065,000	\$ -	\$ 2,655,000	\$ 2,410,000	\$ 2,410,000
Financed Purchases Payable	842,015	-	354,307	487,708	274,890
Unamortized Bond					
Premiums	239,408	-	141,777	97,631	97,631
Compensated Absences	1,495,648	244,223	-	1,739,871	-
Net Pension Liability	14,235,439	8,895,730	5,102,819	18,028,350	-
	<u>\$ 21,877,510</u>	<u>\$ 9,139,953</u>	<u>\$ 8,253,903</u>	<u>\$ 22,763,560</u>	<u>\$ 2,782,521</u>

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

**Bonds Payable**

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

During July 2012, the School District issued \$3,790,000 of Pension Refunding Bonds. The Pension Refunding Bonds were issued at an interest rate of 4.202% and matured on August 18, 2022.

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 7. Long-Term Obligations (Continued)**

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,410,000	\$ 60,250	\$ 2,470,250

**Financed Purchases Payable**

The School District has finance purchase agreements for buses and equipment. All finance purchase agreements are for terms of five years. The following is a schedule of the remaining future minimum payments under these finance purchase agreements and the present value of the net minimum payments at June 30, 2023:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2024	\$ 281,821
2025	170,000
2026	45,708
	<hr/>
Total Minimum Lease Payments	497,529
Less: Amount Representing Interest	(9,821)
	<hr/>
Present Value of Minimum Lease Payments	\$ 487,708

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

**Bonds Authorized but not Issued**

As of June 30, 2023, the School District had no bonds authorized but not issued.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans**

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

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

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

The following represents the membership tiers for PERS:

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2023, the School District reported a liability of \$18,028,350 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. 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, 2021, to the measurement date of June 30, 2022. 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, 2022. The School District's proportion measured as of June 30, 2022, was 0.119461%, which was a decrease of 0.0007045132% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension credit of \$1,486,301 in the government-wide financial statements. This pension credit was based on the pension plans June 30, 2022 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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 130,120	\$ 114,748
Changes of Assumptions	55,858	2,699,558
Net Difference between Projected and Actual Earnings on Pension Plan Investments	746,177	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	163,611	247,550
School District contributions subsequent to measurement date	1,539,837	-
	\$ 2,635,603	\$ 3,061,856

\$1,539,837 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2022-2023 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.11%. The payable is due on April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

<b>Year Ending June 30,</b>		
2023	\$	(1,563,242)
2024		(804,654)
2025		(401,015)
2026		821,450
2027		(18,629)
	<u>\$</u>	<u>(1,966,090)</u>

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

**Special Funding Situation** – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities’ total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities’ total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2023. At June 30, 2023, the State’s proportionate share of the employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2022 measurement date was \$37,932.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions:

Inflation Rate	2.75%	
Wage Rate	3.25%	
Salary Increases:		
	2.75 - 6.55%	
	Based on Years of Service	
Investment Rate of Return	7.00%	
Mortality Rate of Return		
PERS		Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based		July 1, 2018 - June 30, 2021

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) 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, 2022 are summarized in the following table:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(6.00%)</u></b>	<b>At Current Discount Rate <u>(7.00%)</u></b>	<b>At 1% Increase <u>(8.00%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ 23,357,300	\$ 18,028,350	\$ 13,775,819

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
School District's portion	0.11946%	0.12017%

**B. Teachers' Pension and Annuity Fund (TPAF)**

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

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

The following represents the membership tiers for TPAF:

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



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

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

**Contributions** - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, 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, 2022 was \$150,067,719. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.29086039%, which was an increase of 0.0034286472% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized a pension expense in the amount of \$4,038,742 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2022 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

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

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

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

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

**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, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF’s target asset allocation as of June 30, 2022 are summarized in the following table:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Credit	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

	<b>At 1% Decrease <u>(6.00%)</u></b>	<b>At Current Discount Rate <u>(7.00%)</u></b>	<b>At 1% Increase <u>(8.00%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 175,957,590	\$ 150,067,719	\$ 128,258,756

**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, 2023 and 2022:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
State's Proportionate Share associated with the District	0.29086%	0.28823%

**C. Defined Contribution Retirement Plan (DCRP)**

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

Individuals eligible for membership in the DCRP include:

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 8. Pension Plans (Continued)**

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

For the year ended June 30, 2023, employee contributions totaled \$36,251, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$26,733.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

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

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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:

	<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
Salary Increases:	2.75 - 4.25%	2.75 - 6.55%	3.25 - 16.25%
	based on years of service	based on years of service	based on years of service

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

**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 \$166,894,424. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.3295282913%, which was an increase of 0.0002535841% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$5,339,014 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, 2022 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

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

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 3.54%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

The following presents the total nonemployer OPEB liability as of June 30, 2022, 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:

	<b>June 30, 2022</b>		
	<b>At 1% Decrease (2.54%)</b>	<b>At Discount Rate (3.54%)</b>	<b>At 1% Increase (4.54%)</b>
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 196,166,840	\$ 166,894,424	\$ 143,434,046
State of New Jersey's Total Nonemployer OPEB Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

**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, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

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

	<b>June 30, 2022</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 137,948,442	\$ 166,894,424	\$ 204,916,728
State of New Jersey's Total Nonemployer OPEB	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

\* See Healthcare Cost Trend Assumptions for details of rates.

**Additional Information**

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ 9,042,402,619	\$ 15,462,950,679
Change in Assumptions	8,765,620,577	17,237,289,230
Contributions Made in Fiscal Year Year Ending 2023 After June 30, 2022 Measurement Date **	TBD	N/A
	\$ 17,808,023,196	\$ 32,700,239,909

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,	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,517,151,602)
2027	(1,243,951,140)
Thereafter	(3,921,361,006)
	\$ (15,233,918,554)

\*\* Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

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

**Plan Membership**

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

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	151,669
	364,817

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

**Total OPEB Liability**

Service Cost	\$	2,770,618,025
Interest Cost		1,342,187,139
Difference Between Expected & Actual Experience		1,399,200,736
Changes of Assumptions		(13,586,368,097)
Contributions: Member		42,650,252
Gross Benefit Payments		(1,329,476,059)
Net Change in Total OPEB Liability		(9,361,188,004)
Total OPEB Liability (Beginning)		60,007,650,970
Total OPEB Liability (Ending)	\$	50,646,462,966
Total Covered Employee Payroll	\$	14,753,355,408
Net OPEB Liability as a Percentage of Payroll		343%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for normal costs, post-retirement medical costs, and long-term disability were \$11,931,637, \$3,134,412 and \$4,032, respectively.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 11. Risk Management**

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

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

Estimates of claims payable and of claims incurred, but not reported (IBNR) at June 30, 2023, are reported as claims and judgments payable and accrued liability for insurance claims, respectively. These estimates were determined based on claim information supplied by the claims administrator and actuary. The unpaid claims liability of \$997,400 reported at June 30, 2023 is based on the requirements of the *Governmental Accounting Standards* Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balances of claims liabilities for the health insurance plan for the fiscal year ended June 30, 2023 is as follows:

<u>Governmental Activities</u>	<u>Fiscal Year Ended June 30, 2023</u>
Unpaid Claims, Beginning of Year	\$ 828,600
Incurred Claims (including IBNR's)	168,800
Unpaid Claims, End of Fiscal Year	<u>\$ 997,400</u>
General Fund	
Other Current Liabilities	<u>\$ 997,400</u>
	<u>\$ 997,400</u>

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

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 11. Risk Management (Continued)**

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

Fiscal Year	Interest	Contributions	Amount Reimbursed	Ending Balance	
				Unemployment Fund Balance	Unemployment Trust Liability
2022	\$ 1,970	\$ 87,241	\$ 108,102	\$ 285,768	\$ 136,435
2022	1,909	55,684	1,548	283,798	157,296
2021	-	107,013	1,615	281,889	103,160

**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, 2023 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 13. Deferred Compensation**

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

AXA Equitable  
Security Benefit

Lincoln Financial Life  
Valic

Met Life

**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, 2023, the liability for compensated absences reported was \$1,739,871.

**Note 15. Tax Abatements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2023 (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, 2023 was \$-0-.

**Note 17. Fund Balances**

General Fund – Of the \$11,778,843 General Fund fund balance at June 30, 2023, \$5,540,152 has been restricted for the Capital Reserve Account; \$1,709,613 has been restricted for the Maintenance Reserve Account; \$381,933 has been restricted for the Emergency Reserve Account; \$285,768 has been restricted for Unemployment Claims; \$292,923 has been assigned to other purposes; \$1,604,734 has been assigned for subsequent year's expenditures and \$1,963,720 has been unassigned.

Special Revenue Fund – Of the \$355,037 Special Revenue Fund fund balance at June 30, 2023, \$316,576 is restricted for Student Activities and \$38,461 is restricted for Scholarships.

**Note 18. Deficit Fund Balance**

The District has an accumulated deficit of \$453,774 in the Capital Projects Fund as of June 30, 2023. This deficit is the result of the School District utilizing temporary financing to fund expenditures for certain capital projects. As the District permanently finances these appropriations the District will realize as revenues the proceeds of the financing. This deficit does not indicate that the District is facing financial difficulties and is a permitted practice under generally accepted accounting principles.

**Note 19. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$17,933,939 at June 30, 2023. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 20. Commitments**

The District has contractual commitments as June 30, 2023 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$292,923.

**Note 21. Subsequent Events**

On July 18, 2023, the School District issued School Bonds in the amount of \$66,599,208 to fund various capital improvements throughout the district.

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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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### **C. Budgetary Comparison Schedules**

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WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
10-1210	\$ 70,521,283	\$ -	\$ 70,521,283	\$ -
10-1310	315,000	-	315,000	(59,458)
10-1320	750,000	-	750,000	108,969
10-1511	4,000	-	4,000	(4,000)
10-1512	500	-	500	(500)
10-1513	500	-	500	(500)
10-1910	120,000	-	120,000	(24,105)
10-1950	311,057	-	311,057	(166,561)
Total Local Sources	72,022,340	-	72,022,340	(146,155)
State Sources:				
10-3121	1,385,702	-	1,385,702	-
10-3131	400,000	-	400,000	1,197,230
10-3132	3,271,093	-	3,271,093	-
10-3177	341,937	-	341,937	-
10-3190	15,061	-	15,061	43,519
Nonbudgeted:				
TPAF - Post Retirement Medical (Noncash Assistance)	-	-	3,134,412	3,134,412
TPAF - Pension Contributions (Noncash Assistance)	-	-	11,931,637	11,931,637
TPAF - Long-Term Disability Insurance (Noncash Assistance)	-	-	4,032	4,032
Reimbursed TPAF Social Security Contributions	-	-	2,462,727	2,462,727
Total State Sources	5,413,793	-	5,413,793	18,373,557
Federal Sources:				
10-4200	54,518	-	54,518	(14,174)
10-4210	-	-	-	4,513
Total Federal Sources	54,518	-	54,518	(9,661)
Total Revenues	77,490,651	-	77,490,651	18,217,741

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
11-110-100-101	962,050	(52,274)	909,776	909,776
11-120-100-101	6,850,560	152,593	7,003,153	7,002,906
11-130-100-101	4,645,782	167,187	4,812,969	4,812,969
11-140-100-101	7,504,437	(299,617)	7,204,820	7,204,820
11-150-100-101	145,000	(44,380)	100,620	100,620
11-150-100-320	60,000	(12,000)	48,000	35,819
11-190-100-106	46,042	74,269	120,311	120,311
11-190-100-320	375,085	(73,655)	301,430	301,092
11-190-100-340	250,409	-	250,409	213,240
11-190-100-500	116,900	-	116,900	92,935
11-190-100-610	2,281,278	(780,931)	1,500,347	1,288,953
11-190-100-640	117,800	364,919	482,719	482,057
11-190-100-800	1,000	5	1,005	1,005
Total Regular Programs - Instruction	23,356,343	(503,884)	22,852,459	22,566,503
Special Education - Instruction:				
Learning and/or Language Disabilities:				
Salaries of Teachers	612,190	(154,721)	457,469	453,493
Other Salaries for Instruction	140,632	(41,276)	99,356	99,355
General Supplies	35,199	(22,916)	12,283	6,482
Total Learning and/or Language Disabilities	788,021	(218,913)	569,108	559,330
Behavioral Disabilities:				
Salaries of Teachers	149,250	7,550	156,800	156,800
Other Salaries for Instruction	81,927	9,523	91,450	91,450
General Supplies	10,000	(9,580)	420	420
Total Behavioral Disabilities	241,177	7,493	248,670	248,670
Multiple Disabilities:				
Salaries of Teachers	422,843	88,082	510,925	508,994
Other Salaries for Instruction	155,989	(71,392)	84,597	84,596
General Supplies	26,000	(1,473)	24,527	21,013
Other Purchased Services	700	-	700	272
Total Multiple Disabilities	605,532	15,217	620,749	614,875
Resource Room/Resource Center:				
Salaries of Teachers	6,110,918	(386,743)	5,724,175	5,723,624
Other Salaries	654,014	77,925	731,939	731,737
General Supplies	36,000	(6,964)	29,036	28,891
Total Resource Room/Resource Center	6,800,932	(315,782)	6,485,150	6,484,252

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

	ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	11-215-100-101	273,400	(787)	272,613	-
Other Salaries for Instruction	11-215-100-106	165,604	(9,395)	156,209	785
General Supplies	11-215-100-610	5,500	-	4,967	533
Total Preschool Disabilities - Part-Time		444,504	(10,182)	434,322	1,318
Total Special Education - Instruction		8,880,166	(522,167)	8,357,999	17,868
Basic Skills/Remedial-Instruction					
Salaries of Teachers	11-230-100-101	766,175	46,628	812,803	1
Total Basic Skills/Remedial-Instruction		766,175	46,628	812,803	1
Bilingual Education-Instruction:					
Salaries of Teachers	11-240-100-101	197,325	(13,706)	183,619	1
General Supplies	11-240-100-610	2,000	(1,788)	212	-
Total Bilingual Education-Instruction		199,325	(15,494)	183,831	1
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:					
Salaries	11-401-100-100	333,842	(5,332)	328,510	742
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		333,842	(5,332)	328,510	742
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	674,554	(1,921)	672,633	-
Purchased Services	11-402-100-500	201,593	(19,879)	181,714	115
Supplies and Materials	11-402-100-600	103,629	1,872	105,501	4,610
Total School-Sponsored Athletics - Instruction		979,776	(19,928)	959,848	4,725
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Regular	11-000-100-561	43,547	33,640	77,187	4,978
Tuition to Other LEAs Within State - Special	11-000-100-562	465,163	(14,140)	451,023	83,304
Tuition to County Vocational School - Regular	11-000-100-563	477,433	(1,775)	475,658	2,855
Tuition to County Vocational School - Special	11-000-100-564	119,946	1,775	121,721	2
Tuition to Private School Disabled Within State	11-000-100-566	1,872,408	(205,267)	1,667,141	25,348
Tuition - State Facilities	11-000-100-568	40,270	-	40,270	-
Total Undistributed Expenditures - Instruction (Tuition)		3,018,767	(185,767)	2,833,000	116,487
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	40,020	1,910	41,930	-
Salary of Family Liaisons	11-000-211-173	636,225	(1,541)	634,684	-
Total Undistributed Expenditures Attendance and Social Work		676,245	369	676,614	-

WALL TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2023

	ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	667,025	156,517	823,542	823,204
Purchased Professional & Technical Services	11-000-213-300	15,000	-	15,000	1,775
Other Purchased Services	11-000-213-500	5,000	-	5,000	928
Supplies and Materials	11-000-213-600	25,183	12,000	37,183	33,693
Total Undistributed Expenditures - Health Services		712,208	168,517	880,725	859,600
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	861,425	124,985	986,410	984,889
Purchased Professional - Educational Services	11-000-216-320	217,410	59,286	276,696	257,938
Supplies and Materials	11-000-216-600	3,775	-	3,775	2,474
Total Undistributed Expenditures - Speech, OT, PT and Related Services		1,082,610	184,271	1,266,881	1,245,301
Other Support Services - Students - Extra Services:					
Salaries	11-000-217-100	1,131,929	(148,316)	983,613	981,657
Purchased Professional Educational Services	11-000-217-320	152,925	-	152,925	119,091
Supplies and Materials	11-000-217-600	18,800	-	18,800	8,306
Other Objects	11-000-217-800	37,000	(14,403)	22,597	17,585
Total Other Support Services - Students - Extra Services		1,340,654	(162,719)	1,177,935	1,126,639
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	726,855	(3,585)	723,270	723,270
Salaries of Secretaries & Clerical Assistants	11-000-218-105	222,900	(44,780)	178,120	178,119
Supplies and Materials	11-000-218-600	28,800	2,298	31,098	24,786
Total Undistributed Expenditures - Guidance		978,555	(46,067)	932,488	926,175
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	1,591,730	(128,245)	1,463,485	1,462,515
Salaries of Secretaries & Clerical Assistants	11-000-219-105	149,260	(36,170)	113,090	113,090
Other Purchased Professional & Technical Services	11-000-219-390	141,901	1	141,902	89,287
Other Purchased Services	11-000-219-500	7,075	-	7,075	3,344
Supplies and Materials	11-000-219-600	33,433	-	33,433	31,850
Total Undistributed Expenditures - Child Study Teams		1,923,399	(164,414)	1,758,985	1,700,086
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	920,362	(192,929)	727,433	727,431
Other Purchased Services	11-000-221-500	-	7,515	7,515	4,020
Supplies and Materials	11-000-221-600	3,000	-	3,000	1,467
Other Objects	11-000-221-800	3,000	845	3,845	3,830
Total Undistributed Expenditures - Improvement of Instruction Services		926,362	(184,569)	741,793	736,748

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library:				
Salaries	316,323	43,835	360,158	360,156
Other Purchased Services	8,500	-	8,500	7,678
Supplies and Materials	83,089	(576)	82,513	71,973
				2
				822
				10,540
Total Undistributed Expenditures - Educational Media Services/Library	407,912	43,259	451,171	439,807
Undistributed Expenditures - Instructional Staff Training Services:				
Other Salaries	5,600	(3,752)	1,848	1,848
Other Purchased Services	51,900	(38,245)	13,655	13,655
Purchased Professional - Educational Services	2,500	-	2,500	-
				2,500
Total Undistributed Expenditures - Instructional Staff Training Services	60,000	(41,997)	18,003	15,503
Undistributed Expenditures - Support Services - General Administration:				
Salaries	610,092	22,396	632,488	632,200
Legal Services	256,164	11,898	268,062	193,004
Audit Fees	69,000	-	69,000	57,333
Architectural/Engineering Services	20,000	(20,000)	-	-
Other Purchased Professional Services	84,480	17,103	101,583	58,747
Communications/Telephone	163,800	(82,110)	81,690	23,890
Travel	-	6,580	6,580	5,397
BOE Other Purchased Professional Services	4,500	-	4,500	1,876
Other Purchased Services	181,000	31,394	212,394	209,112
General Supplies	14,110	12,637	26,747	10,147
Judgements Against School District	50,000	(22,894)	27,106	16,000
Miscellaneous Expenditures	5,000	1,520	6,520	6,258
BOE Membership Dues and Fees	27,000	1,763	28,763	28,763
				-
Total Undistributed Expenditures - Support Services - General Administration	1,485,146	(19,713)	1,465,433	1,242,727
Undistributed Expenditures - Support Services - School Administration:				
Salaries of Principals/Assistant Principals	1,676,691	54,221	1,730,912	1,730,911
Salaries of Other Professional Staff	646,033	65,775	711,808	711,806
Salaries of Secretaries & Clerical Assistants	631,429	41,364	672,793	671,780
Other Purchased Services	24,300	3,035	27,335	18,165
Supplies and Materials	80,389	(15,239)	65,150	58,424
Other Objects	1,650	-	1,650	560
				1,090
Total Undistributed Expenditures - Support Services - School Administration	3,060,492	149,156	3,209,648	3,191,646
				18,002

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Central Services:				
Salaries	655,825	(56,440)	599,385	599,385
Purchased Professional Services	70,147	42,720	112,867	110,066
Purchased Technical Services	71,700	15,075	86,775	74,424
Miscellaneous Purchased Services	32,055	(5,810)	26,245	13,276
Supplies and Materials	24,000	-	24,000	18,985
Other Objects	1,500	-	1,500	1,246
<b>Total Undistributed Expenditures - Central Services</b>	<b>855,227</b>	<b>(4,455)</b>	<b>850,772</b>	<b>817,382</b>
Undistributed Expenditures - Administrative Information Technology:				
Salaries	556,850	(10,244)	546,606	545,902
Purchased Technical Services	247,192	-	247,192	227,110
Other Purchased Services	4,375	3,600	7,975	7,001
Supplies and Materials	16,851	-	16,851	16,568
<b>Total Undistributed Expenditures - Administrative Information Technology</b>	<b>825,268</b>	<b>(6,644)</b>	<b>818,624</b>	<b>796,581</b>
Undistributed Expenditures - Required Maintenance for School Facilities:				
Cleaning, Repair & Maintenance Services	569,649	(233,301)	336,348	231,322
General Supplies	245,963	(5,736)	240,227	213,340
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>815,612</b>	<b>(239,037)</b>	<b>576,575</b>	<b>444,662</b>
Undistributed Expenditures - Custodial Services:				
Salaries	3,137,872	(191,063)	2,946,809	2,945,878
Salaries of Non-Instructional Aids	407,971	(15,562)	392,409	391,441
Purchased Professional & Technical Services	97,466	479	97,945	45,710
Cleaning, Repair & Maintenance Services	176,948	(51,459)	125,489	115,789
Rental of Land & Buildings, Other Than Lease	55,000	19,175	74,175	68,653
Other Purchased Property Services	186,000	14,000	200,000	185,789
Insurance	601,270	79,523	680,793	680,793
Travel	-	1,000	1,000	-
Miscellaneous Purchased Services	4,300	(1,000)	3,300	3,300
General Supplies	230,629	15,000	245,629	196,321
Energy (Natural Gas)	386,000	204,616	590,616	590,608
Energy (Electricity)	675,000	(12,780)	662,220	656,081
Other Objects	3,000	-	3,000	500
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>5,961,456</b>	<b>61,929</b>	<b>6,023,385</b>	<b>5,877,563</b>
<b>Total Undistributed Expenditures - All Services</b>	<b>14,140,513</b>	<b>(1,110,110)</b>	<b>13,030,403</b>	<b>12,822,822</b>



WALL TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Care and Upkeep of Grounds:				
Cleaning, Repair & Maintenance Services	204,350	5,000	209,350	199,183
General Supplies	56,825	(18,955)	37,870	35,281
Total Undistributed Expenditures - Care and Upkeep of Grounds	261,175	(13,955)	247,220	234,464
Security:				
Salaries	711,537	(13,233)	698,304	697,936
Purchased Professional & Technical Services	45,000	9,100	54,100	48,150
Cleaning, Repair & Maintenance	29,076	(22,000)	7,076	6,580
General Supplies	8,500	-	8,500	5,709
Total Security	794,113	(26,133)	767,980	758,375
Undistributed Expenditures - Student Transportation Services:				
Salaries of Non-Instructional Aides	229,160	(67,747)	161,413	158,536
Salaries of Pupil Transportation (Between Home & School) - Regular	1,576,490	(58,367)	1,518,123	1,512,948
Salaries of Pupil Transportation (Between Home & School) - Special Education	451,325	(168,838)	282,487	282,487
Salaries of Pupil Transportation (Other Than Between Home & School) - Regular	65,000	16,900	81,900	81,758
Salaries of Pupil Transportation (Between Home & School) - Nonpublic	53,154	(27,797)	25,357	25,287
Other Purchased Professional & Technical Services	50,500	4,000	54,500	46,293
Cleaning, Repair & Maintenance Services	80,173	-	80,173	61,647
Lease Purchase Payments - School Buses	425,000	(62,819)	362,181	362,181
Contract Services (Aide in Lieu) - Non Public Schools	98,351	126,000	224,351	176,276
Contract Services (Other Than Between Home & School) - Vendors	10,000	20,000	30,000	19,103
Contract Services (Special Education) - Vendors	63,868	12,696	76,564	62,208
Contract Services (Special Education) - Joint Agreements	103,567	(50,165)	53,402	53,402
Contract Services (Regular) ESC's	1,058,027	63,269	1,121,296	1,121,295
Contract Services (Special Education) - ESC's	1,043,025	(12,696)	1,030,329	966,224
Miscellaneous Purchased Services - Transportation	75,500	17,867	93,367	93,193
General Supplies	14,040	-	14,040	11,929
Transportation Supplies	363,926	36,998	400,924	376,928
Miscellaneous Expenditures	500	-	500	160
Total Undistributed Expenditures - Student Transportation Services	5,761,606	(150,699)	5,610,907	5,411,855
Unallocated Benefits:				
Group Insurance	15,000	-	15,000	13,997
Social Security Contributions	1,100,000	(1,255)	1,098,745	1,091,082
Other Retirement Contributions - PERS	1,450,000	16,405	1,466,405	1,466,405
Other Retirement Contributions - Regular	50,000	(1,000)	49,000	18,630
Workmen's Compensation	610,000	(120,752)	489,248	489,248
Health Benefits	11,872,573	1,191,830	13,064,403	13,022,118
Tuition Reimbursement	12,000	(326)	11,674	11,674
Other Employee Benefits	58,526	142,639	201,165	201,165
Unused Sick Payment to Staff	50,000	62,960	112,960	112,960
Total Unallocated Benefits	15,218,099	1,290,501	16,508,600	16,427,279
				81,321

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:				
TPAF - Post Retirement Medical (Nontcash Assistance)	-	-	-	3,134,412 (3,134,412)
TPAF - Pension Contributions (Nontcash Assistance)	-	-	-	11,931,637 (11,931,637)
TPAF - Long-Term Disability Insurance (Nontcash Assistance)	-	-	-	4,032 (4,032)
Reimbursed TPAF Social Security Contributions	-	-	-	2,462,727 (2,462,727)
Total Undistributed Expenditures	46,164,906	651,833	46,816,739	63,178,328 (16,361,589)
Total Expenditures - Current Expense	80,680,533	(368,344)	80,312,189	96,364,485 (16,052,296)
Equipment:				
Grades 9-12	5,017	8,673	13,690	13,689 1
School-Sponsored & Other Instructional Programs	2,532	3,904	6,436	6,436 -
Undistributed Expenditures:				
Undist. Expend. - Required Maint for School Fac.	30,000	(30,000)	-	- -
Undist. Expend. = Custodial Services	113,000	(113,000)	-	- -
Non-Instructional Services	4,894	143,000	147,894	97,835 50,059
Total Equipment	155,443	12,577	168,020	117,960 50,060
Facilities Acquisition & Construction Services:				
Architectural/Engineering Services	120,540	-	120,540	26,325 94,215
Construction Services	2,743,762	-	2,743,762	1,128,319 1,615,443
Buildings	192,395	-	192,395	192,395 -
Assessment for Debt Service on SDA Funding	7,780	-	7,780	7,780 -
Total Facilities Acquisition & Construction Services	3,064,477	-	3,064,477	1,354,819 1,709,658
Total Capital Outlay	3,219,920	12,577	3,232,497	1,472,779 1,759,718
Transfer of Funds to Charter Schools	165,816	355,767	521,583	521,583 -
Total Expenditures	84,066,269	-	84,066,269	98,358,847 (14,292,578)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(6,575,618)	-	(6,575,618)	(2,650,455) 3,925,163

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

ACCOUNT NUMBERS	JUNE 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
	(6,575,618)	-	(6,575,618)	3,925,163
	14,922,848	-	14,922,848	-
	<u>\$ 8,347,230</u>	<u>\$ -</u>	<u>\$ 8,347,230</u>	<u>\$ 3,925,163</u>

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

Fund Balances, June 30

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 5,540,152
Maintenance Reserve	1,709,613
Emergency Reserve	381,933
Reserve for Unemployment Claims	285,768
Assigned Fund Balance:	
Year-End Encumbrances	292,923
Designated for Subsequent Year's Expenditures	1,604,734
Unassigned Fund Balance	2,457,270
Subtotal	<u>12,272,393</u>
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments not recognized on GAAP basis	<u>(493,550)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 11,778,843</u>

**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2023**

	JUNE 30, 2023				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 2,923,763	\$ 2,923,763	\$ 749,689	\$ 2,174,074
State Sources	97,000	232,121	329,121	308,244	20,877
Federal Sources	1,133,000	609,075	1,742,075	1,993,262	(251,187)
<b>Total Revenues</b>	<b>1,230,000</b>	<b>3,764,959</b>	<b>4,994,959</b>	<b>3,051,195</b>	<b>1,943,764</b>
Expenditures:					
Instruction:					
Salaries of Teachers	210,000	1,067,029	1,277,029	383,417	893,612
Purchased Professional - Educational Services	-	13,060	13,060	13,000	60
Tuition	-	954,038	954,038	754,038	200,000
General Supplies	872,000	(424,618)	447,382	385,353	62,029
Other Objects	-	2,473	2,473	450	2,023
<b>Total Instruction</b>	<b>1,082,000</b>	<b>1,611,982</b>	<b>2,693,982</b>	<b>1,536,258</b>	<b>1,157,724</b>
Support Services:					
Salaries of Other Professional Staff	-	365,846	365,846	151,774	214,072
Personal Services - Employee Benefits	31,000	86,844	117,844	38,460	79,384
Purchased Educational Services	88,000	870,810	958,810	580,808	378,002
Other Purchased Services (400-500 Series)	-	272,755	272,755	194,643	78,112
Supplies and Materials	29,000	41,561	70,561	34,091	36,470
Scholarships Awarded	-	5,091	5,091	5,091	-
Student Activities	-	478,773	478,773	472,774	5,999
<b>Total Support Services</b>	<b>148,000</b>	<b>2,121,680</b>	<b>2,269,680</b>	<b>1,477,641</b>	<b>792,039</b>
<b>Total Expenditures</b>	<b>1,230,000</b>	<b>3,733,662</b>	<b>4,963,662</b>	<b>3,013,899</b>	<b>1,949,763</b>
<b>Total Outflows</b>	<b>1,230,000</b>	<b>3,733,662</b>	<b>4,963,662</b>	<b>3,013,899</b>	<b>1,949,763</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ 31,297	\$ 31,297	\$ 37,296	\$ (5,999)
Fund Balance, July 1	317,741	-	317,741	317,741	-
Fund Balance, June 30	\$ 317,741	\$ 31,297	\$ 349,038	\$ 355,037	\$ (5,999)

**RECAPITULATION OF FUND BALANCE**

Restricted:	
Scholarships	\$ 38,461
Student Activities	316,576
<b>Total Fund Balance</b>	<b>\$ 355,037</b>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2023**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 95,708,392	\$ 3,051,195
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	-	(23,448)
Prior Year	-	79,422
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(493,550)	-
Prior Year	441,273	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 95,656,115	\$ 3,107,169
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 98,358,847	\$ 3,013,899
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	55,974
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 98,358,847	\$ 3,069,873

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.1194612714%	0.1201657846%	0.1199820398%	0.1185054547%	0.1193099000%	0.1231854896%	0.1262608098%	0.1178796684%	0.1181117181%	0.1121304449%
School District's proportionate share of the net pension liability	\$ 18,028,350	\$ 14,235,439	\$ 19,565,933	\$ 21,352,885	\$ 23,491,524	\$ 28,675,613	\$ 37,394,830	\$ 26,461,623	\$ 22,114,767	\$ 21,430,356
School District's covered payroll	\$ 8,514,253	\$ 8,700,699	\$ 8,621,065	\$ 8,153,611	\$ 8,226,051	\$ 8,549,704	\$ 8,383,906	\$ 8,019,520	\$ 8,070,828	\$ -
School District's proportionate share of the net pension liability as a percentage of its covered payroll	211.74%	163.61%	226.95%	261.88%	285.57%	335.40%	446.03%	329.97%	274.01%	#DIV/0!
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 1,506,464	\$ 1,407,281	\$ 1,312,543	\$ 1,152,709	\$ 1,186,748	\$ 1,141,182	\$ 1,121,683	\$ 1,013,449	\$ 973,741	\$ 844,880
Contributions in relation to the contractually required contribution	\$ (1,506,464)	\$ (1,407,281)	\$ (1,312,543)	\$ (1,152,709)	\$ (1,186,748)	\$ (1,141,182)	\$ (1,121,683)	\$ (1,013,449)	\$ (973,741)	\$ (844,880)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 9,158,420	\$ 8,514,253	\$ 8,700,699	\$ 8,621,065	\$ 8,153,611	\$ 8,226,051	\$ 8,549,704	\$ 8,383,906	\$ 8,019,520	\$ 8,070,828
Contributions as a percentage of covered payroll	16.45%	16.53%	15.09%	13.37%	14.55%	13.87%	13.12%	12.09%	12.14%	10.47%

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

	2023	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%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 150,067,719	\$ 138,183,353	\$ 189,793,410	\$ 174,625,526	\$ 185,600,663	\$ 199,684,015	\$ 222,510,730	\$ 177,241,722	\$ 141,063,164	\$ 137,997,158
School District's covered payroll	\$ 34,304,221	\$ 33,598,961	\$ 32,954,670	\$ 29,014,898	\$ 30,807,887	\$ 29,422,617	\$ 29,685,953	\$ 29,563,236	\$ 28,637,933	\$ 27,789,670
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

	2023	2022	2021	2020	2019	2018
<b>District's Total OPEB Liability</b>						
Service Cost	\$ 8,910,818	\$ 10,317,562	\$ 5,808,886	\$ 5,796,526	\$ 6,532,628	\$ 7,828,298
Interest Cost	4,422,886	5,125,693	4,852,170	5,980,651	6,394,505	5,525,917
Change in Benefit Terms	-	(210,311)	-	-	-	-
Difference between Expected & Actual Differences	4,982,085	(34,509,005)	38,678,008	(25,832,267)	(15,023,438)	-
Changes of Assumptions	(44,770,927)	194,938	40,291,968	2,007,946	(17,296,901)	(22,989,673)
Contributions: Member	140,545	131,039	116,393	122,543	139,298	168,117
Gross Benefit Payments	(4,381,000)	(4,037,611)	(3,840,076)	(4,133,979)	(4,030,438)	(4,565,617)
Net Change in District's Total OPEB Liability	(30,695,593)	(22,987,695)	85,907,349	(16,058,580)	(23,284,346)	(14,032,958)
District's Total OPEB Liability (Beginning)	197,590,017	220,577,712	134,670,363	150,728,943	174,013,289	188,046,247
District's Total OPEB Liability (Ending)	\$ 166,894,424	\$ 197,590,017	\$ 220,577,712	\$ 134,670,363	\$ 150,728,943	\$ 174,013,289
District's Covered Employee Payroll	\$ 42,818,474	\$ 42,299,660	\$ 41,575,735	\$ 37,168,509	\$ 38,961,498	\$ 37,648,668
District's Net OPEB Liability as a Percentage of Payroll	390%	467%	531%	362%	387%	462%

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

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

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2023**

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

***Changes in Benefit Terms***

The June 30, 2022 measurement date includes three changes to the plan provisions, only one of which had an impact on the Total Pension Liability. Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

***Changes in Assumptions***

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	6.28%	2016	3.98%
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%

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

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

***Changes in Benefit Terms***

None.

***Changes in Assumptions***

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	5.60%	2016	3.22%
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2019	7.00%	2016	7.65%
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%

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

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

***Changes in Benefit Terms***

The increase in benefit terms from June 30, 2021 to June 30, 2022 was a result of employers adopting and or changing Chapter 48 provisions which provide different levels of subsidy than in the prior year.

***Differences Between Expected and Actual Experiences***

The increase in differences between expected and actual experiences from June 30, 2021 to June 30, 2022 was a result of changes to the census, claims and premiums experience.

***Changes in Assumptions***

The increase in changes in assumptions from June 30, 2021 to June 30, 2022 is a result of a change in the discount rate, trend update and the mortality projection scale update.

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

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%	2016	2.85%
2021	2.16%	2018	3.87%		
2020	2.21%	2017	3.58%		

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



**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

	Title I	Title IIA	Title III	Title IV	I.D.E.A. - Basic	I.D.E.A. - Preschool
<b>Revenues:</b>						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	124,207	75,543	22,461	12,602	862,037	45,542
<b>Total Revenues</b>	<b>\$ 124,207</b>	<b>\$ 75,543</b>	<b>\$ 22,461</b>	<b>\$ 12,602</b>	<b>\$ 862,037</b>	<b>\$ 45,542</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
Salaries of Teachers	\$ 84,200	\$ -	\$ 21,961	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	754,038	-
General Supplies	144	-	-	-	17,647	5,046
Other Objects	-	-	-	-	-	-
<b>Total Instruction</b>	<b>84,344</b>	<b>-</b>	<b>21,961</b>	<b>-</b>	<b>771,685</b>	<b>5,046</b>
<b>Support Services:</b>						
Salaries of Other Professional Staff	24,420	-	-	-	-	-
Personal Services - Employee Benefits	7,769	-	-	-	-	-
Purchased Educational Services	-	75,543	-	12,602	82,405	40,496
Other Purchased Services (400-500 Series)	-	-	-	-	7,947	-
Supplies and Materials	7,674	-	500	-	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
<b>Total Support Services</b>	<b>39,863</b>	<b>75,543</b>	<b>500</b>	<b>12,602</b>	<b>90,352</b>	<b>40,496</b>
<b>Total Expenditures</b>	<b>\$ 124,207</b>	<b>\$ 75,543</b>	<b>\$ 22,461</b>	<b>\$ 12,602</b>	<b>\$ 862,037</b>	<b>\$ 45,542</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

	ARP I.D.E.A. - Basic	ARP I.D.E.A. - Preschool	CARES Emergency Relief Grant	CRRSA - ESSER II	CRRSA - ESSER II Learning Acceleration	CRRSA - ESSER II Mental Health
<b>Revenues:</b>						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	35,469	450	36,146	212,727	13,111	10,576
<b>Total Revenues</b>	<b>\$ 35,469</b>	<b>\$ 450</b>	<b>\$ 36,146</b>	<b>\$ 212,727</b>	<b>\$ 13,111</b>	<b>\$ 10,576</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
Salaries of Teachers	\$ 20,872	\$ -	\$ 24,040	\$ 133,755	\$ -	\$ -
Purchased Professional - Educational Services	13,000	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	-	-	39	15,285	-	-
Other Objects	-	450	-	-	-	-
<b>Total Instruction</b>	<b>\$ 33,872</b>	<b>\$ 450</b>	<b>\$ 24,079</b>	<b>\$ 149,040</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Support Services:</b>						
Salaries of Other Professional Staff	-	-	9,480	49,656	-	-
Personal Services - Employee Benefits	1,597	-	2,587	14,031	-	-
Purchased Educational Services	-	-	-	-	13,111	10,300
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	276
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
<b>Total Support Services</b>	<b>\$ 1,597</b>	<b>\$ -</b>	<b>\$ 12,067</b>	<b>\$ 63,687</b>	<b>\$ 13,111</b>	<b>\$ 10,576</b>
<b>Total Expenditures</b>	<b>\$ 35,469</b>	<b>\$ 450</b>	<b>\$ 36,146</b>	<b>\$ 212,727</b>	<b>\$ 13,111</b>	<b>\$ 10,576</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

	ARP - ESSER III	ARP - ESSER III Learning Acceleration	ARP - ESSER III Mental Health	ACSERS	SDA Emergent Program	Non Public Ch. 192_Auxiliary
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	162,683	52,776
Federal Sources	345,337	154,687	327	42,040	-	-
<b>Total Revenues</b>	<b>\$ 345,337</b>	<b>\$ 154,687</b>	<b>\$ 327</b>	<b>\$ 42,040</b>	<b>\$ 162,683</b>	<b>\$ 52,776</b>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 98,589	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	93,176	-	-	-	-	-
Other Objects	-	-	-	-	-	-
<b>Total Instruction</b>	<b>191,765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Support Services:						
Salaries of Other Professional Staff	68,218	-	-	-	-	-
Personal Services - Employee Benefits	12,476	-	-	-	-	-
Purchased Educational Services	45,692	136,657	327	42,040	-	52,776
Other Purchased Services (400-500 Series)	20,775	-	-	-	162,683	-
Supplies and Materials	6,411	18,030	-	-	-	-
Scholarships Awarded	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
<b>Total Support Services</b>	<b>153,572</b>	<b>154,687</b>	<b>327</b>	<b>42,040</b>	<b>162,683</b>	<b>52,776</b>
<b>Total Expenditures</b>	<b>\$ 345,337</b>	<b>\$ 154,687</b>	<b>\$ 327</b>	<b>\$ 42,040</b>	<b>\$ 162,683</b>	<b>\$ 52,776</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-

**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

	Non Public Ch. 193 Handicapped	Non Public Nursing	Non Public Textbook	Non Public Security	Non Public Technology
<b>Revenues:</b>					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	60,428	8,431	4,903	15,785	3,238
Federal Sources	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 60,428</b>	<b>\$ 8,431</b>	<b>\$ 4,903</b>	<b>\$ 15,785</b>	<b>\$ 3,238</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
General Supplies	-	-	4,903	15,785	-
Other Objects	-	-	-	-	-
<b>Total Instruction</b>	<b>-</b>	<b>-</b>	<b>4,903</b>	<b>15,785</b>	<b>-</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Educational Services	60,428	8,431	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	3,238
Supplies and Materials	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Student Activities	-	-	-	-	-
<b>Total Support Services</b>	<b>60,428</b>	<b>8,431</b>	<b>-</b>	<b>-</b>	<b>3,238</b>
<b>Total Expenditures</b>	<b>\$ 60,428</b>	<b>\$ 8,431</b>	<b>\$ 4,903</b>	<b>\$ 15,785</b>	<b>\$ 3,238</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

	Local Grants	Student Activities	Scholarship	Totals
Revenues:				
Local Sources	\$ 234,528	\$ 502,434	\$ 12,727	\$ 749,689
State Sources	-	-	-	308,244
Federal Sources	-	-	-	1,993,262
<b>Total Revenues</b>	<b>\$ 234,528</b>	<b>\$ 502,434</b>	<b>\$ 12,727</b>	<b>\$ 3,051,195</b>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ -	\$ 383,417
Purchased Professional - Educational Services	-	-	-	13,000.00
Other Purchased Services (400-500 Series)	-	-	-	754,038.00
General Supplies	233,328	-	-	385,353
Other Objects	-	-	-	450
<b>Total Instruction</b>	<b>233,328</b>	<b>-</b>	<b>-</b>	<b>1,536,258</b>
Support Services:				
Salaries of Other Professional Staff	-	-	-	151,774
Personal Services - Employee Benefits	-	-	-	38,460
Purchased Educational Services	-	-	-	580,808
Other Purchased Services (400-500 Series)	-	-	-	194,643
Supplies and Materials	1,200	-	-	34,091
Scholarships Awarded	-	-	5,091	5,091
Student Activities	-	472,774	-	472,774
<b>Total Support Services</b>	<b>1,200</b>	<b>472,774</b>	<b>5,091</b>	<b>1,477,641</b>
<b>Total Expenditures</b>	<b>\$ 234,528</b>	<b>\$ 472,774</b>	<b>\$ 5,091</b>	<b>\$ 3,013,899</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	29,660	7,636	37,296
Fund Balance, July 1	-	286,916	30,825	317,741
Fund Balance, June 30	-	316,576	38,461	355,037

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**F. Capital Projects Fund**

Not Applicable

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**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2023**

<u>Year</u>	<u>Project Title / Issue</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>	
2023	Renovations, Alterations and Improvements at Various Schools - Referendum 2022	\$ 66,599,208	\$ -	\$ 2,774,974	\$ 63,824,234
	<b>Total</b>	<u>\$ 66,599,208</u>	<u>\$ -</u>	<u>\$ 2,774,974</u>	<u>\$ 63,824,234</u>

**Reconciliation of Fund Balance, June 30, 2023**

Unexpended Project Balances, June 30, 2023	\$ 63,824,234
Total Fund Balance (Budgetary Basis) - June 30, 2023	<u>63,824,234</u>
Add: Reserve for Encumbrances	2,321,200
Less: Bond Proceeds Anticipated in Subsequent Year	<u>(66,599,208)</u>
Total Fund Balance (GAAP Basis) - June 30, 2023	<u>\$ (453,774)</u>

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2023**

Expenditures and Other Financing Uses:	
Purchase Professional and Technical Services	\$ 1,990,774
Construction Services	784,200
	<hr/>
Total Expenditures and Other Financing Uses	2,774,974
	<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	(2,774,974)
	<hr/>
Fund Balance, July 1	-
	<hr/>
Fund Balance, June 30	\$ (2,774,974)
	<hr/> <hr/>



**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
RENOVATIONS, ALTERATIONS AND IMPROVEMENTS AT VARIOUS SCHOOLS - REFERENDUM 2022  
YEAR ENDED JUNE 30, 2023**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Debt Issuance	\$ -	\$ -	\$ -	\$ 66,599,208
Total Revenues and Other Financing Sources	-	-	-	66,599,208
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Service	-	1,990,774	1,990,774	7,684,525
Construction Services	-	784,200	784,200	58,914,683
Total Expenditures and Other Financing Uses	-	2,774,974	2,774,974	66,599,208
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ (2,774,974)	\$ (2,774,974)	\$ -

Additional Project Information:

Project Number	N/A
Bond Authorization Date	7/18/2023
Bonds Authorized	\$ 66,599,208
Bonds Issued	66,599,208
Original Authorized Cost	66,599,208
Additional Authorized Cost	-
Revised Authorized Cost	66,599,208
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	4.17%
Revised Target Completion Date	9/1/2026

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## **I. Long-Term Debt**

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WALL TOWNSHIP BOARD OF EDUCATION  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS PAYABLE  
 YEAR ENDED JUNE 30, 2023

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2022	RETIRED	BALANCE JUNE 30, 2023
			DATE	AMOUNT				
Pension Refunding Bonds	7/3/2012	\$ 3,790,000				\$ 285,000	\$ 285,000	\$ -
School Refunding Bonds	4/22/2015	17,515,000	7/15/2023	\$ 2,410,000	5.000%	4,780,000	2,370,000	2,410,000
Total						\$ 5,065,000	\$ 2,655,000	\$ 2,410,000

EXHIBIT I-2

WALL TOWNSHIP BOARD OF EDUCATION  
 LONG-TERM DEBT  
 SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES  
 YEAR ENDED JUNE 30, 2023

PURPOSE	AMOUNT OF LEASE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2022	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2023
2019 School Buses (5)	\$ 405,000	2.980%	\$ 83,880	\$ 83,880	\$ -
2020 School Buses (7)	530,000	2.466%	215,633	106,503	109,130
2022 School Buses (7)	816,002	1.120%	542,502	163,924	378,578
Total			\$ 842,015	\$ 354,307	\$ 487,708

WALL TOWNSHIP BOARD OF EDUCATION  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2023

	June 30, 2023			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,129,824	\$ -	\$ 2,129,824	\$ -
State Sources:				
Debt Service Aid Type II	728,457	-	728,457	-
Total Revenues	2,858,281	-	2,858,281	-
Expenditures:				
Regular Debt Service:				
Interest	203,281	(2,224)	201,057	8,596
Redemption of Principal	2,655,000	2,224	2,657,224	-
Total Regular Debt Service	2,858,281	-	2,858,281	8,596
Total Expenditures	2,858,281	-	2,849,685	8,596
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	8,596
Fund Balance, July 1,	-	-	-	-
Fund Balance, June 30,	\$ -	\$ -	\$ -	\$ 8,596

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**Financial Trends Information**

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

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

	FISCAL YEAR ENDING JUNE 30,										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Governmental Activities:</b>											
Net Investment in Capital Assets	\$ 35,345,032	\$ 32,742,346	\$ 29,941,561	\$ 27,294,108	\$ 23,668,548	\$ 22,614,140	\$ 20,341,432	\$ 17,202,958	\$ 16,176,888	\$ 13,242,009	\$ 12,332,608
Restricted	7,827,325	8,316,445	8,988,536	7,339,725	7,007,106	7,879,125	6,045,607	5,712,617	4,409,297	4,312,842	4,452,232
Unrestricted (Deficit)	(17,933,939)	(18,440,395)	(21,444,981)	(24,734,199)	(26,374,370)	(28,363,547)	(28,205,105)	(25,626,679)	(24,643,354)	(23,633,552)	(2,778,148)
<b>Total Governmental Activities</b>	<b>\$ 25,238,418</b>	<b>\$ 22,618,396</b>	<b>\$ 17,484,916</b>	<b>\$ 9,899,634</b>	<b>\$ 4,301,284</b>	<b>\$ 2,129,718</b>	<b>\$ (1,818,066)</b>	<b>\$ (2,711,104)</b>	<b>\$ (4,057,169)</b>	<b>\$ (6,078,701)</b>	<b>\$ 14,006,692</b>
<b>Business-Type Activities:</b>											
Net Investment in Capital Assets	\$ 21,905	\$ 34,773	\$ 51,888	\$ 66,949	\$ 82,010	\$ 94,376	\$ 109,259	\$ 96,696	\$ 110,091	\$ 124,473	\$ 136,138
Unrestricted (Deficit)	1,067,380	725,200	200,656	71,283	275,281	210,122	181,057	96,832	22,394	28,543	74,313
<b>Total Business-Type Activities</b>	<b>\$ 1,089,285</b>	<b>\$ 759,973</b>	<b>\$ 252,544</b>	<b>\$ 138,232</b>	<b>\$ 357,291</b>	<b>\$ 304,498</b>	<b>\$ 290,316</b>	<b>\$ 193,528</b>	<b>\$ 132,485</b>	<b>\$ 153,016</b>	<b>\$ 210,451</b>
<b>District-Wide:</b>											
Net Investment in Capital Assets	\$ 35,366,937	\$ 32,777,119	\$ 29,993,249	\$ 27,361,057	\$ 23,750,558	\$ 22,708,516	\$ 20,450,691	\$ 17,299,654	\$ 16,286,979	\$ 13,366,482	\$ 12,468,746
Restricted	7,827,325	8,316,445	8,988,536	7,339,725	7,007,106	7,879,125	6,045,607	5,712,617	4,409,297	4,312,842	4,452,232
Unrestricted (Deficit)	(16,866,559)	(17,715,195)	(21,244,325)	(24,662,916)	(26,099,089)	(28,153,425)	(28,024,048)	(25,529,847)	(24,620,960)	(23,605,009)	(2,703,835)
<b>Total District Net Position</b>	<b>\$ 26,327,703</b>	<b>\$ 23,378,369</b>	<b>\$ 17,737,460</b>	<b>\$ 10,037,866</b>	<b>\$ 4,658,575</b>	<b>\$ 2,434,216</b>	<b>\$ (1,527,750)</b>	<b>\$ (2,517,576)</b>	<b>\$ (3,924,684)</b>	<b>\$ (5,925,685)</b>	<b>\$ 14,217,143</b>

Source: ACFR Schedule A-1

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>FISCAL YEAR ENDING JUNE 30,</b>										
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 36,462,029	\$ 36,105,223	\$ 40,948,829	\$ 36,131,686	\$ 36,508,007	\$ 39,377,966	\$ 37,630,745	\$ 33,698,651	\$ 31,427,530	\$ 26,886,838
Special Education	15,558,333	16,199,835	19,057,565	17,029,615	16,858,330	18,001,939	17,072,291	15,035,647	13,806,763	11,694,226
Vocational Education	785,091	783,627	950,667	805,995	620,206	631,973	593,542	590,720	600,106	654,740
Other Instruction	1,498,210	1,648,927	1,956,606	1,741,541	1,777,481	1,804,832	1,651,386	1,609,390	1,393,728	1,141,619
School Sponsored Cocurricular/Athletics	1,694,110	1,694,050	1,651,602	1,515,024	2,024,421	2,157,394	2,036,227	1,788,657	1,601,878	1,279,499
Support Services:										
Student & Instruction Related Services	12,175,683	11,650,811	10,471,758	9,639,655	11,362,762	11,454,012	11,073,493	9,982,279	9,205,306	8,809,469
General Administration	1,641,072	1,658,063	1,324,784	1,157,589	2,986,703	2,367,353	2,374,618	2,199,742	2,368,038	2,045,764
School Administration	4,214,699	4,358,621	4,322,841	4,002,342	4,775,129	5,383,818	5,172,594	4,729,551	4,530,340	3,913,365
Plant Operations & Maintenance	9,307,757	9,815,648	1,049,595	7,921,174	8,635,521	8,213,055	8,476,832	7,452,065	7,079,295	7,207,497
Student Transportation	7,146,575	7,733,009	1,055,400	5,681,202	5,819,040	5,869,426	5,644,337	5,036,208	4,904,733	4,999,220
Business/Central and Other Support Services	2,131,303	2,080,582	9,138,571	1,794,254	1,858,143	1,857,613	1,428,365	1,582,559	1,642,036	1,620,047
Charter Schools	688,772	-	5,012,307	-	-	-	-	-	-	-
Interest and Charges on Long-Term Debt	9,616	121,253	204,409	303,090	364,205	418,974	413,056	866,935	913,993	1,075,778
Total Governmental Activities	93,313,250	93,849,648	97,144,934	87,723,167	93,589,948	97,538,355	93,567,486	84,572,406	79,473,746	71,328,062
Expenses										
Business-Type Activities:										
Food Service	1,384,212	1,575,238	1,132,465	1,350,848	1,494,552	1,507,486	1,489,665	1,484,453	1,469,775	1,483,915
Before and After School Programs	309,318	302,935	288,259	440,693	473,708	416,661	383,074	303,791	14,002	8,636
Chromebooks	29,500	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	1,723,030	1,878,173	1,420,724	1,791,541	1,968,260	1,924,147	1,872,739	1,788,244	1,483,777	1,492,551
Expense										
Total District Expenses	\$ 95,036,280	\$ 95,727,821	\$ 98,565,658	\$ 89,514,708	\$ 95,558,208	\$ 99,462,502	\$ 95,440,225	\$ 86,360,650	\$ 80,957,523	\$ 72,820,613
Program Revenues:										
Charges for Services										
Instruction (Tuition)	\$ 1,114,511	\$ 989,434	\$ 927,171	\$ 1,135,336	\$ 879,340	\$ 620,035	\$ 534,055	\$ 411,075	\$ 411,303	\$ 348,355
Pupil Transportation	-	-	500	350	4,419	-	-	-	-	-
Rentals	-	-	20,800	33,560	120,333	109,346	111,727	44,570	25,552	20,300
Operating Grants & Contributions	15,680,141	20,648,870	26,958,831	17,534,226	26,352,905	32,776,510	27,095,553	21,150,066	17,563,405	10,619,298
Capital Grants & Contributions	-	-	-	-	54,872	138,688	817,496	35,109	766,032	-
Total Governmental Activities	16,794,652	21,638,304	27,907,302	18,703,472	27,411,869	33,644,579	28,558,831	21,640,820	18,766,292	10,987,953
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	1,079,163	432,562	38,001	845,023	1,268,380	1,226,757	1,258,939	1,243,504	1,213,004	1,176,974
Before and After School Programs	389,251	383,502	238,971	354,511	457,439	448,023	404,372	334,296	19,080	15,100
Chromebooks	2,400	330	531	28,830	-	-	-	-	-	-
Operating Grants & Contributions	559,083	1,567,526	1,207,553	288,796	295,234	263,549	282,717	271,487	231,162	243,042
Total Business Type Activities	2,029,897	2,383,920	1,485,056	1,517,160	2,021,053	1,938,329	1,946,028	1,849,287	1,463,246	1,435,116
Program Revenues										
Total District Program Revenues	\$ 18,824,549	\$ 24,022,224	\$ 29,392,358	\$ 20,220,632	\$ 29,432,922	\$ 35,582,908	\$ 30,504,859	\$ 23,490,107	\$ 20,229,538	\$ 12,423,069

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>FISCAL YEAR ENDING JUNE 30,</b>										
Net (Expense)/Revenue:										
Governmental Activities	\$ (76,518,598)	\$ (72,211,344)	\$ (69,237,632)	\$ (69,019,695)	\$ (66,178,079)	\$ (63,893,776)	\$ (65,008,655)	\$ (62,931,586)	\$ (60,707,454)	\$ (60,340,109)
Business-Type Activities	306,867	505,747	64,332	(274,381)	52,793	14,182	73,289	61,043	(20,531)	(57,435)
<b>Total District-Wide Net Expense</b>	<b>\$ (76,211,731)</b>	<b>\$ (71,705,597)</b>	<b>\$ (69,173,300)</b>	<b>\$ (69,294,076)</b>	<b>\$ (66,125,286)</b>	<b>\$ (63,879,594)</b>	<b>\$ (64,935,366)</b>	<b>\$ (62,870,543)</b>	<b>\$ (60,727,985)</b>	<b>\$ (60,397,544)</b>
<b>General Revenues &amp; Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 70,521,283	\$ 69,138,513	\$ 67,782,856	\$ 65,973,388	\$ 65,330,579	\$ 64,053,498	\$ 62,797,547	\$ 60,945,106	\$ 59,750,104	\$ 58,578,533
Taxes Levied for Debt Service	2,129,824	2,323,473	2,355,338	2,340,889	2,330,571	2,324,431	2,319,371	2,471,421	2,406,906	2,450,941
State/Federal Aid Sources	6,247,122	5,607,415	5,985,810	5,972,460	449,440	461,720	460,086	497,916	496,096	491,611
Investment Earnings	-	-	117,492	95,963	88,398	41,107	7,995	-	-	-
Miscellaneous Income	240,391	275,423	31,786	235,345	150,657	960,804	265,021	363,208	75,880	163,987
<b>Total Governmental Activities</b>	<b>\$ 79,138,620</b>	<b>\$ 77,344,824</b>	<b>\$ 76,273,282</b>	<b>\$ 74,618,045</b>	<b>\$ 68,349,645</b>	<b>\$ 67,841,560</b>	<b>\$ 65,850,020</b>	<b>\$ 64,277,651</b>	<b>\$ 62,728,986</b>	<b>\$ 61,685,072</b>
Business-Type Activities:										
Investment Earnings	-	-	890	322	-	-	-	-	-	-
Board Contributions	22,445	-	49,090	-	-	-	-	-	-	-
Miscellaneous	-	1,682	-	55,000	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>\$ 22,445</b>	<b>\$ 1,682</b>	<b>\$ 49,980</b>	<b>\$ 55,322</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total District-Wide</b>	<b>\$ 79,161,065</b>	<b>\$ 77,346,506</b>	<b>\$ 76,323,262</b>	<b>\$ 74,673,367</b>	<b>\$ 68,349,645</b>	<b>\$ 67,841,560</b>	<b>\$ 65,850,020</b>	<b>\$ 64,277,651</b>	<b>\$ 62,728,986</b>	<b>\$ 61,685,072</b>
Change in Net Position:										
Governmental Activities	\$ 2,949,334	\$ 5,640,909	\$ 7,149,962	\$ 5,379,291	\$ 2,224,359	\$ 3,961,966	\$ 914,654	\$ 1,407,108	\$ 2,001,001	\$ 1,287,528
<b>Total District</b>	<b>\$ 2,949,334</b>	<b>\$ 5,640,909</b>	<b>\$ 7,149,962</b>	<b>\$ 5,379,291</b>	<b>\$ 2,224,359</b>	<b>\$ 3,961,966</b>	<b>\$ 914,654</b>	<b>\$ 1,407,108</b>	<b>\$ 2,001,001</b>	<b>\$ 1,287,528</b>

Source: ACFR Schedule A-2

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 7,917,466	\$ 7,998,704	\$ 8,731,545	\$ 7,088,522	\$ 8,034,903	\$ 8,377,795	\$ 5,688,945	\$ 4,349,605	\$ 4,777,176	\$ 5,581,124
Committed	-	-	-	-	1,679,277	412,131	554,785	473,561	-	-
Assigned	1,897,657	3,429,366	3,943,874	3,161,694	810,283	465,916	113,521	250,573	380,336	481,259
Unassigned	1,963,720	3,053,505	2,918,140	1,323,780	600,499	854,228	851,602	838,479	756,726	777,632
<b>Total General Fund</b>	<b>\$ 11,778,843</b>	<b>\$ 14,481,575</b>	<b>\$ 15,593,559</b>	<b>\$ 11,573,996</b>	<b>\$ 11,124,962</b>	<b>\$ 10,110,070</b>	<b>\$ 7,208,853</b>	<b>\$ 5,912,218</b>	<b>\$ 5,914,238</b>	<b>\$ 6,840,015</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ (90,141)	\$ 317,741	\$ 256,991	\$ 251,203	\$ 251,203	\$ 196,330	\$ 388,575	\$ 1,618,425	\$ 230,621	\$ 614,029
<b>Total All Other Governmental Funds</b>	<b>\$ (90,141)</b>	<b>\$ 317,741</b>	<b>\$ 256,991</b>	<b>\$ 251,203</b>	<b>\$ 251,203</b>	<b>\$ 196,330</b>	<b>\$ 388,575</b>	<b>\$ 1,618,425</b>	<b>\$ 230,621</b>	<b>\$ 614,029</b>

Source: ACFR Schedule B-1



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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues</b>										
Tax Levy	\$ 72,651,107	\$ 71,461,986	\$ 70,138,194	\$ 68,314,277	\$ 67,661,150	\$ 66,377,929	\$ 65,116,918	\$ 63,416,527	\$ 62,157,010	\$ 61,029,474
Tuition Changes	1,114,511	989,434	927,171	1,135,336	879,340	620,035	534,055	411,075	411,503	348,355
Interest Earnings	75,395	92,497	117,492	95,963	88,398	41,107	7,995	-	-	-
Transportation	-	44,409	500	4,419	-	-	-	-	-	-
Rental Fees	95,895	96,842	20,800	33,560	120,333	109,346	111,727	44,570	25,552	20,300
Miscellaneous	818,790	513,330	365,055	249,510	192,912	992,999	275,944	386,498	95,127	164,451
State Sources	24,757,535	23,811,993	19,536,778	17,104,359	15,807,660	14,474,825	13,704,580	11,781,724	11,437,055	9,658,196
Federal Sources	2,108,332	2,487,216	1,640,068	1,602,578	1,369,401	1,335,270	1,270,302	1,320,511	1,294,798	1,452,249
<b>Total Revenues</b>	101,621,565	99,497,707	92,746,058	88,535,933	86,123,613	83,951,511	81,021,521	77,360,905	75,420,845	72,673,025
<b>Expenditures</b>										
Instruction:										
Regular Instruction	24,255,103	23,532,978	22,553,602	21,625,099	31,437,318	29,999,268	29,244,160	28,330,042	27,611,387	26,785,953
Special Education Instruction	10,349,643	10,558,869	10,496,436	10,192,358	14,777,835	14,233,956	13,786,105	12,971,052	12,393,841	11,689,276
Vocational Education - Tuition	594,522	570,885	678,770	626,879	620,206	631,973	593,542	590,722	600,106	654,740
Other Instruction	996,632	1,074,752	1,077,650	1,042,326	1,518,521	1,360,592	1,266,809	1,341,752	1,215,187	1,140,986
School Sponsored Activities & Athletics	1,282,891	1,234,143	1,179,233	1,178,340	1,767,414	1,686,985	1,621,365	1,535,470	1,430,623	1,278,933
Support Services:										
Attendance & Social Work Services	676,614	720,518	703,405	649,565	-	-	-	-	-	-
Health Services	859,600	670,474	702,531	603,941	-	-	-	-	-	-
Student & Instruction Related Services	7,684,011	7,096,816	6,070,828	6,243,924	10,225,448	9,415,559	9,390,598	9,224,273	8,780,042	8,666,001
General Administration	1,242,727	1,207,926	948,887	900,338	1,068,454	1,074,753	1,090,756	1,010,506	1,229,571	1,041,049
School Administration	3,191,646	3,175,327	3,086,479	3,112,900	4,433,677	4,250,464	4,208,259	4,193,626	4,158,822	3,911,335
Plant Operations & Maintenance	7,315,064	7,462,499	6,696,250	6,400,031	8,158,857	7,249,392	7,634,816	7,212,942	6,985,188	7,191,146
Student Transportation	5,411,855	5,633,625	3,578,753	4,418,666	5,213,044	5,008,659	4,914,773	4,647,740	4,616,572	4,788,364
Business/Central & Other Support Services	1,613,963	1,515,738	1,502,951	1,395,517	1,742,002	1,597,477	1,351,770	1,520,373	1,619,747	1,619,340
Unallocated Benefits	16,427,279	14,326,352	11,690,076	11,438,723	-	-	-	-	-	-
On Behalf TPAP Pension and Social Security Contributions	17,532,808	17,410,619	13,544,999	11,176,786	-	-	-	-	-	-
Charter Schools	521,583	-	-	-	-	-	-	-	-	-
Capital Outlay	1,918,773	2,085,684	1,595,342	3,970,890	1,686,432	1,700,822	2,531,137	310,619	2,894,328	913,464
Debt Service:										
Principal	2,657,224	2,755,000	2,660,000	2,525,000	2,665,816	2,578,656	2,494,964	2,730,213	2,391,273	2,289,989
Interest & Other Charges	200,241	332,738	458,058	573,757	673,824	753,983	825,682	692,791	1,008,707	1,083,524
Bond Issuance Costs	-	-	-	-	-	-	-	-	188,580	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	387,316	-
<b>Total Expenditures</b>	104,732,179	101,364,943	89,221,250	88,075,040	85,988,848	81,542,539	80,954,736	76,312,121	77,511,290	73,054,100
<b>Other Financing Sources/(Uses):</b>										
Cancellation of Payable	-	-	-	43,141	-	-	-	-	-	-
Financed Purchases (Non-Budgeted)	-	816,002	-	-	935,000	300,000	-	337,000	205,364	440,628
Proceeds From Refunding	-	-	-	-	-	-	-	-	17,515,000	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	(19,335,000)	-
Original Issue Premiums	-	-	-	-	-	-	-	-	2,395,896	-
Transfers in	-	-	251,202	-	-	-	-	-	-	592,789
Transfers Out	-	-	(300,292)	(55,000)	-	-	-	(1,434,780)	(826,800)	(592,789)
<b>Total Other Financing Sources/(Uses)</b>	-	816,002	(49,090)	(11,859)	935,000	300,000	-	337,000	781,260	440,628
<b>Net Change in Fund Balances</b>	<b>\$(3,110,614)</b>	<b>\$(1,051,234)</b>	<b>\$3,475,718</b>	<b>\$449,034</b>	<b>\$1,069,765</b>	<b>\$2,708,972</b>	<b>\$66,785</b>	<b>\$1,385,784</b>	<b>\$(1,309,185)</b>	<b>\$59,552</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	2.78%	3.11%	3.56%	3.68%	3.96%	4.17%	4.23%	4.50%	4.59%	4.68%

Source: ACFR Schedule B-2

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	REIMBURSEMENTS	TUITION	DEMAND RESPONSE	PRIOR YEAR PAYABLES CANCELLED	TRANSPORTATION	E-RATE	RENTALS	GRANT PROCEEDS FOR PRIOR YEAR CAPITAL PROJECTS	INSURANCE PROCEEDS	MISCELLANEOUS	TOTAL
2023	\$ 75,395	\$ -	\$ 1,114,511	\$ -	\$ -	\$ -	\$ -	\$ 95,895	\$ -	\$ -	\$ 69,101	\$ 1,354,902
2022	92,497	-	989,434	-	-	44,409	-	96,842	-	-	41,674	1,264,856
2021	117,492	-	927,171	-	-	500	-	20,800	-	-	80,876	1,146,839
2020	95,963	-	1,135,336	-	43,141	350	-	33,560	-	-	247,204	1,555,554
2019	88,398	-	879,340	21,135	11,575	4,419	-	120,333	-	-	117,947	1,243,147
2018	41,107	-	620,035	16,164	759,106	-	-	109,346	-	-	185,534	1,731,292
2017	7,995	-	534,055	23,246	74,708	-	-	111,727	114,212	-	52,855	1,886,927
2016	-	77,647	411,075	-	-	-	49,790	44,570	-	174,767	61,004	1,382,412
2015	-	-	411,503	-	-	-	-	25,552	-	-	75,880	1,030,953
2014	-	-	348,355	-	-	-	-	20,300	-	-	163,987	1,854,067
<b>Total</b>	<b>\$ 518,847</b>	<b>\$ 77,647</b>	<b>\$ 7,370,615</b>	<b>\$ 60,545</b>	<b>\$ 888,530</b>	<b>\$ 49,678</b>	<b>\$ 49,790</b>	<b>\$ 678,925</b>	<b>\$ 114,212</b>	<b>\$ 174,767</b>	<b>\$ 1,096,062</b>	<b>\$ 14,450,949</b>

Source: District Records

**Revenue Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2014	\$ 67,764,300	\$ 2,819,263,000	\$ 31,125,700	\$ 859,900	\$ 609,691,300	\$ 141,331,000	\$ 21,839,600	\$ 3,691,874,800	\$ -	\$ 5,325,309	\$ 3,697,200,109	1.666	\$ 5,614,372,406
2015	65,185,400	2,817,681,600	32,138,900	806,500	607,903,100	139,006,100	24,981,100	3,687,702,700	-	5,150,110	3,692,852,810	1.700	5,602,708,447
2016	85,540,500	4,505,855,990	46,534,000	765,200	1,014,262,500	240,969,300	46,891,700	5,940,819,190	-	7,953,969	5,948,773,159	1.080	5,924,070,513
2017	86,395,800	4,498,740,990	44,629,300	764,900	1,014,418,800	240,639,200	46,891,700	5,932,480,690	-	8,063,235	5,940,543,925	1.107	6,128,451,633
2018	87,939,400	4,505,584,900	41,343,000	760,300	1,056,984,200	256,938,000	46,891,700	5,996,441,500	-	7,824,535	6,004,266,035	1.123	6,156,959,538
2019	84,756,900	4,519,487,200	39,430,000	719,600	1,059,098,600	228,680,700	46,309,200	5,978,482,200	-	-	5,978,482,200	1.138	6,348,046,083
2020	86,233,800	4,539,928,100	36,714,700	708,500	1,093,421,500	228,986,100	45,533,400	6,031,526,100	-	-	6,031,526,100	1.148	6,661,082,532
2021	77,878,000	4,558,054,400	39,002,700	679,200	1,097,421,600	240,484,600	45,533,400	6,059,053,900	-	-	6,059,053,900	1.168	6,726,555,593
2022	100,665,700	4,588,338,100	35,583,300	661,000	1,107,103,700	267,263,800	45,533,400	6,145,149,000	-	-	6,145,149,000	1.173	8,085,722,368
2023	100,727,800	4,647,184,800	36,873,300	669,600	1,131,701,400	268,571,000	45,533,400	6,231,261,300	-	-	6,231,261,300	1.186	9,130,053,187

Source: Monmouth County Board of Taxation  
 Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when ordered by the County Board of Taxation  
 a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
 b. Tax rates are per \$100

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

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b><u>TOTAL</u></b>	<b><u>SCHOOL DISTRICT</u></b>	<b><u>MUNICIPAL</u></b>	<b><u>COUNTY</u></b>	<b><u>OTHER</u></b>
2014	2.825	1.666	0.708	0.403	0.048
2015	2.888	1.700	0.722	0.416	0.050
2016	1.813	1.080	0.448	0.253	0.032
2017	1.847	1.107	0.453	0.254	0.033
2018	1.884	1.123	0.459	0.256	0.046
2019	1.947	1.138	0.463	0.299	0.047
2020	1.983	1.148	0.463	0.309	0.063
2021	1.942	1.168	0.470	0.254	0.050
2022	1.952	1.173	0.474	0.253	0.052
2023	1.984	1.186	0.487	0.256	0.055

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by

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

<u>Taxpayer</u>	2023	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
-------	------	--------

<u>Taxpayer</u>	2014	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE

DATA NOT AVAILABLE

Total	\$ -	0.000%
-------	------	--------

Source: Municipal Tax Assessor

N/A - Information was not available at reporting time

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2014	\$ 61,029,474	\$ 61,029,474	100.00%	-
2015	62,157,010	62,157,010	100.00%	-
2016	63,416,527	63,416,527	100.00%	-
2017	65,116,918	65,116,918	100.00%	-
2018	66,377,929	66,377,929	100.00%	-
2019	67,661,150	67,661,150	100.00%	-
2020	68,314,277	68,314,277	100.00%	-
2021	70,138,194	70,138,194	100.00%	-
2022	71,461,986	71,461,986	100.00%	-
2023	70,521,283	70,521,283	100.00%	-

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

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



**Debt Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES							TOTAL DISTRICT POPULATION	PER CAPITA INCOME	PERSONAL INCOME	OUTSTANDING DEBT RATIO
	GENERAL OBLIGATION BONDS	UNAMORTIZED BOND PREMIUMS	FINANCE PURCHASE AGREEMENTS								
2014	\$ 26,660,000	\$ -	\$ 348,887	\$ 27,008,887	25,902	67,481	\$ 1,747,892,862	1.55%			
2015	22,575,000	2,395,896	427,978	25,398,874	25,887	70,766	1,831,919,442	1.39%			
2016	19,985,000	2,073,399	624,765	22,683,164	25,891	73,074	1,891,958,934	1.20%			
2017	17,740,000	1,628,638	374,801	19,743,439	25,813	75,876	1,958,587,188	1.01%			
2018	15,420,000	1,250,283	416,145	17,086,428	25,690	79,249	2,035,906,810	0.84%			
2019	13,005,000	923,643	1,100,329	15,028,972	25,602	82,270	2,106,276,540	0.71%			
2020	10,480,000	651,115	787,139	11,918,254	25,518	86,091	2,196,870,138	0.54%			
2021	7,820,000	425,379	546,403	8,791,782	26,467	82,551	2,184,877,317	0.40%			
2022	5,065,000	239,408	842,015	6,146,423	26,375	N/A	N/A	N/A			
2023	2,410,000	97,631	487,708	2,995,339	N/A	N/A	N/A	N/A			

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING				NET GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	UNAMORTIZED BOND PREMIUMS	DEDUCTIONS	OUTSTANDING	NET GENERAL BONDED DEBT	OUTSTANDING		
2014	\$ 26,660,000	\$ -	\$ -	\$ 26,660,000			0.48%	1,029
2015	22,575,000	2,395,896	-	24,970,896			0.38%	872
2016	19,985,000	2,073,399	-	22,058,399			0.33%	772
2017	17,740,000	1,628,638	-	19,368,638			0.29%	687
2018	15,420,000	1,250,283	-	16,670,283			0.24%	598
2019	13,005,000	923,643	-	13,928,643			0.20%	509
2020	10,480,000	651,115	-	11,131,115			0.17%	441
2021	7,820,000	425,379	-	8,245,379			0.12%	315
2022	5,065,000	239,408	-	5,304,408			0.07%	N/A
2023	2,410,000	97,631	-	2,507,631			0.03%	N/A

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements. See Exhibit J-6 for property tax data. Population data can be found in Exhibit J-14.

WALL TOWNSHIP BOARD OF EDUCATION  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2023

	<b>NET DEBT</b>
Municipal Debt:	
Wall Township Board of Education (as of June 30, 2023)	\$ 5,065,000
Township of Wall	<u>31,482,870</u>
Subtotal, Overlapping Debt	<u>36,547,870</u>
Overlapping Debt Apportioned to the Municipality:	
Mounmouth County:	
County of Monmouth	<u>485,746,546</u>
Total Direct & Overlapping Debt	<u><u>\$ 522,294,416</u></u>

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

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

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

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

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 212,370,668	\$ 204,978,604	\$ 195,967,337	\$ 190,325,093	\$ 244,761,800	\$ 236,601,951	\$ 229,784,067	\$ 223,373,044	\$ 223,407,044	\$ 230,438,397
Total Net Debt Applicable to Limit	2,410,000	5,065,000	7,820,000	10,480,000	13,005,000	15,420,000	17,740,000	19,985,000	22,575,000	26,660,000
Legal Debt Margin	\$ 209,960,668	\$ 199,913,604	\$ 188,147,337	\$ 179,845,093	\$ 231,756,800	\$ 221,181,951	\$ 212,044,067	\$ 203,388,044	\$ 200,832,044	\$ 203,778,397
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.13%	2.47%	3.99%	5.51%	5.31%	6.52%	7.72%	8.95%	10.10%	11.57%

**Legal Debt Margin Calculation**

	2022	2021	2020
Equalized Valuation Basis	\$ 7,330,697,290	7,221,756,734	6,684,612,767
	\$ 21,237,066,791		
	\$ 7,079,022,264		
	\$ 212,370,668		
	\$ 2,410,000		
	\$ 209,960,668		

Average Equalized Valuation of Taxable Property  
 Debt Limit (3% of Average Equalization Value)  
 Net Bonded School Debt  
 Legal Debt Margin

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

### **Demographic and Economic Information**

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

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

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

<b>YEAR</b>	<b>POPULATION (a)</b>	<b>PER CAPITA PERSONAL INCOME (c)</b>	<b>UNEMPLOYMENT RATE (d)</b>
2014	25,902	67,481	5.37%
2015	25,887	70,766	4.90%
2016	25,891	73,074	4.30%
2017	25,813	75,876	3.90%
2018	25,690	79,249	3.60%
2019	25,602	82,270	3.00%
2020	25,518	86,091	8.00%
2021	26,467	92,119	5.20%
2022	26,375	N/A	3.10%
2023	N/A	N/A	N/A

## Sources:

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

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

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

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

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

	2023	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
	RANK	
	DATA NOT AVAILABLE	
Total	-	0.00%
Total Employment - (Estimated)	-	

	2014	
	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
	RANK	
	DATA NOT AVAILABLE	
Total	-	0.00%
Total Employment - (Estimated)	-	

Source: Township of Wall, Clerk's Office.

N/A - Information was not available at reporting time

### **Operating Information**

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

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

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	249	258	261	259	259	268	271	274	275	260
Special Education	161	171	173	171	165	168	161	156	161	146
Other Instruction	233	230	230	222	213	199	194	164	155	157
Support Services:										
Student & Instruction Related Services	115	115	120	116	119	110	122	99	105	92
General Administration	7	6	6	6	6	6	6	6	6	4
School Administrative Services	30	32	32	33	32	32	31	30	30	30
Central Services	7	7	7	7	7	7	7	7	7	8
Administrative Information Technology	8	6	6	6	6	6	6	6	6	5
Plant Operations & Maintenance	98	105	106	106	105	100	99	104	99	88
Pupil Transportation	58	58	62	62	60	63	64	66	68	66
<b>Total</b>	<b>964</b>	<b>988</b>	<b>1,003</b>	<b>988</b>	<b>971</b>	<b>958</b>	<b>959</b>	<b>912</b>	<b>911</b>	<b>855</b>

Source: District Personnel Records

WALL TOWNSHIP BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE	HIGH				
2023	3,112	\$ 78,831,677	\$ 25,332	14.09%	358	1:08.3	1:09.1	1:08.1	3,009	-1.87%	94.22%	
2022	3,258	75,630,306	23,214	4.55%	353	1:09.3	1:09.3	1:09.1	3,078	3.42%	94.58%	
2021	3,196	70,962,851	22,204	6.86%	371	1:07.5	1:08.8	1:08.9	3,007	-6.89%	95.57%	
2020	3,311	68,798,610	20,779	-14.00%	417	1:08.4	1:07.8	1:07.6	3,380	0.00%	97.66%	
2019	3,351	80,962,776	24,161	7.68%	417	1:08.4	1:07.8	1:07.6	3,301	-0.55%	97.66%	
2018	3,410	76,509,078	22,437	3.37%	419	1:08.4	1:07.7	1:08.0	3,399	-1.61%	97.87%	
2017	3,460	75,102,953	21,706	7.84%	418	1:08.7	1:08.1	1:08.0	3,454	-3.73%	99.46%	
2016	3,606	72,578,498	20,127	3.95%	400	1:08.9	1:08.8	1:09.3	3,588	0.45%	96.85%	
2015	3,649	70,641,086	19,362	4.61%	400	1:08.9	1:09.0	1:08.8	3,454	-1.57%	96.70%	
2014	3,716	68,767,123	18,508	5.05%	402	1:08.4	1:09.3	1:09.3	3,508	-5.72%	96.67%	

Sources: District records

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

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

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

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

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

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>DISTRICT BUILDINGS</u></b>										
Elementary Schools:										
Allenwood										
Square Feet	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920
Capacity (Students)	521	521	521	521	521	521	521	521	521	521
Enrollment	403	408	375	364	406	391	380	348	348	359
Central										
Square Feet	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110
Capacity (Students)	596	596	596	596	596	596	596	596	596	596
Enrollment (a)	502	509	476	427	538	526	522	504	507	506
Old Mill										
Square Feet	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440
Capacity (Students)	560	560	560	560	560	560	560	560	560	560
Enrollment	366	361	347	326	380	381	404	402	420	434
West Belmar										
Square Feet	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360
Capacity (Students)	276	276	276	276	276	276	276	276	276	276
Enrollment	166	172	167	144	173	181	186	203	199	212
Middle School:										
Intermediate										
Square Feet	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000
Capacity (Students)	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Enrollment	764	777	778	779	775	787	811	887	921	940
High School:										
Square Feet	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340
Capacity (Students)	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394
Enrollment	917	966	985	1,051	1,021	1,094	1,100	1,190	1,184	1,197
Primary:										
Square Feet	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970
Capacity (Students)	60	60	60	60	60	60	60	60	60	60
Enrollment	74	65	54	55	58	50	57	55	50	36

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

<u>DISTRICT BUILDINGS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
---------------------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Virtual:

Enrollment

	0	0	N/A	165	N/A	N/A	N/A	N/A	N/A	N/A
--	---	---	-----	-----	-----	-----	-----	-----	-----	-----

Other:

Superintendent's Building

Square Feet- 2,880

Business Office

Square Feet- 5,760

Technology Building

Square Feet- 1,069

Tech. Storage Barn

Square Feet- 1,296

Maintenance Building

Square Feet- 4,756

Red Storage Barn

Square Feet - 960

Special Service Bldg. 1

Square Feet- 2,000

Special Service Bldg. 2

Square Feet- 1,104

District Storage Bldg.

Square Feet- 5,000

Garage Apt.

Square Feet- 2,030

18th Ave. Field

Square feet- 1,800

Number of Schools at June 30, 2023:

Elementary = 4

Middle School = 1

Senior High School = 1

Other = 1

**Source:** District Facilities Office, District Records

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



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

SCHOOL FACILITIES	PROJECT # (S)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Wall High School	050	\$ 110,759	\$ 131,964	\$ 88,503	\$ 136,233	\$ 168,933	\$ 87,265	\$ 136,799	\$ 102,842	\$ 77,780	\$ 147,150
Allenwood School	060	45,216	20,987	31,437	31,525	31,409	39,077	29,623	35,969	35,542	60,219
Central Elementary	070	50,340	34,802	15,561	40,908	71,440	54,929	51,100	49,712	48,246	59,643
Wall Intermediate	075	105,932	108,967	51,354	25,939	93,853	196,273	108,071	45,122	89,364	82,433
Old Mill	077	68,093	44,006	40,964	29,930	65,456	38,219	187,116	39,956	47,601	54,979
Primary	078	26,746	41,279	18,370	18,345	25,201	2,166	6,157	16,272	28,745	28,113
West Belmar	080	37,576	37,064	43,229	17,445	56,640	11,395	31,747	31,551	31,011	59,345
Grand Total		444,662	419,069	289,418	300,325	512,932	429,324	550,613	321,424	358,289	491,882

Source: District Records

**WALL TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED**

	<b>COVERAGE</b>	<b>DEDUCTIBLE</b>
<b>SCHOOL PACKAGE POLICY (1):</b>		
<b>School Excess Liability Joint Insurance Fund</b>		
Property Blanket Bldg. & Contents	\$ 500,000,000	\$ 5,000
Program Blanket Limit	500,000,000 *	5,000
Comprehensive General Liability	5,000,000	-
Comprehensive Crime Coverage	500,000	1,000
Money & Securities	50,000	1,000
Workers Compensation	Statutory	N/L
<b>COMPUTERS &amp; SCHEDULE EQUIPMENT</b>		
<b>School Excess Liability Joint Insurance Fund</b>		
Data Processing Equipment	500,000,000	5,000
Valuable Papers	500,000,000	5,000
Miscellaneous Equipment	500,000,000	5,000
Business Income	100,000,000	5,000
Extra Expense	50,000,000	5,000
<b>BOILER &amp; MACHINERY - SCHOOL EXCESS JOINT INSURANCE FUND</b>		
Property Damage	100,000,000	5,000
<b>UMBRELLA EXCESS LIABILITY</b>		
Excess Liability - Dipolma JIF	5,000,000	-
School Excess - Umbrella Policy	30,000,000	-
<b>SCHOOL BOARD LEGAL LIABILITY - ACE USA</b>		
Directors & Officers Policy	Included in SLPL	-
<b>PUBLIC OFFICIAL BOND - PABLO D. CANELA</b>	400,000	-
<b>PUBLIC OFFICIAL BOND - BRIAN J. SMYTH</b>	400,000	-
<b>AUTOMOBILE &amp; TRUCKS</b>		
<b>School Excess Liability Joint Insurance Fund</b>	\$5,000,000 CSL	-

Source: District P&C Broker

**SINGLE AUDIT SECTION**

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Certified Public Accountants + Advisors

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## EXHIBIT K-1

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Wall Township School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Wall Township School District's basic financial statements, and have issued our report thereon dated February 2, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompany schedule of findings and questioned costs as Finding No. 2023-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance 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 which are described in the accompanying statement of findings and questioned costs as Finding No. 2023-001.

### **Management’s Response to Findings**

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

### **Purpose of This Report**

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman

Certified Public Accountant

Public School Accountant, #20CS00260100

Lakewood, New Jersey  
February 2, 2024



EXHIBIT K-2

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

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

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

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

We have audited the Wall Township School District's compliance with types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2023. The Wall Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Wall Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

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

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08 and which is described in the accompanying schedule of findings and questioned costs as item Finding 2023-001. Our opinion on each major federal and state program is not modified with respect to these matters.

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



Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2023-001 to be a significant deficiency.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman

Certified Public Accountant

Public School Accountant, #20CS00260100

Lakewood, New Jersey  
February 2, 2024

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WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM/TITLE OR CLUSTER	FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE, JUNE 30, 2023 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
<b>U.S. Department of Health and Human Services</b> Passed Through New Jersey Department of Human Services: Title I - Part A, Supporting Effective Instruction Medical Assistance Program (SEM)	93,778	230SN15MAP	100-034-5064-211	\$ 44,857	7/1/22-6/30/23	-	44,857	(44,857)	-	-	-	-	-	-
Total Medicaid Cluster							44,857	(44,857)	-	-	-	-	-	-
<b>Total U.S. Department of Health and Human Services</b>							44,857	(44,857)	-	-	-	-	-	-
<b>U.S. Department of the Treasury</b> Passed Through New Jersey Department of Education: COVID-ARP State and Local Fiscal Recovery Fund DOE Special Education Services	21,027	SLFED0EISES	100-034-5065-096	42,040	7/1/22-6/30/23	-	42,040	(42,040)	-	-	-	-	-	-
<b>Total U.S. Department of the Treasury</b>							42,040	(42,040)	-	-	-	-	-	-
<b>U.S. Department of Agriculture</b> Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program	10,553	22NJ304N1099	100-010-3350-028	27,876	7/1/22-6/30/23	-	22,506	(27,876)	-	-	-	-	(5,370)	-
School Breakfast Program	10,553	21NJ304N1099	100-010-3350-028	127,383	7/1/21-6/30/22	(9,248)	9,248	-	-	-	-	-	-	-
National School Lunch Program	10,555	22NJ304N1099	100-010-3350-028	266,751	7/1/22-6/30/23	(78,128)	220,572	(266,751)	-	-	-	-	(46,179)	-
National School Lunch Program	10,555	21NJ304N1099	100-010-3350-028	1,329,112	7/1/21-6/30/22	78,128	78,128	-	-	-	-	-	-	-
Supply Chain Assistance Award	10,555	22NJ344N8903	100-010-3350-118	90,459	10/1/22-9/30/24	-	90,459	(90,459)	-	-	-	-	-	-
Supply Chain Assistance Award	10,555	21NJ344N8903	100-010-3350-118	66,190	1/1/22-9/30/23	-	66,190	(66,190)	-	-	-	-	-	-
Healthy Hunger-Free Kids Act	10,555	22NJ304N1099	100-010-3350-026	14,545	7/1/22-6/30/23	-	12,085	(14,545)	-	-	-	-	(2,460)	-
Food Distribution Program (Noncash Assistance)	10,555	21NJ304N1099	Unavailable	78,769	7/1/22-6/30/23	(78,128)	546,203	(516,714)	-	-	-	-	(48,639)	-
<b>Total Child Nutrition Cluster</b>							577,957	(644,590)	-	-	-	-	(54,009)	-
<b>Total U.S. Department of Agriculture</b>							577,957	(644,590)	-	-	-	-	(54,009)	-
<b>U.S. Department of Education</b> Passed Through New Jersey Department of Education: Title I - Part A Title I - Part A	84,010	S010A220060	100-034-5064-194	136,754	7/1/22-9/30/23	-	17,769	(110,200)	-	-	-	-	(92,431)	-
Title I - Part A	84,010	S010A210060	100-034-5064-194	169,354	7/1/21-9/30/22	(34,553)	30,318	(18,007)	-	-	-	-	(18,242)	-
Title I - Part A	84,367	S367A220029	100-034-5065-290	58,055	7/1/22-9/30/23	(40,644)	40,644	(53,793)	-	-	-	-	(13,149)	-
Title II - Part A, Supporting Effective Instruction	84,367	S367A210029	100-034-5065-290	83,664	7/1/21-9/30/22	(40,644)	40,644	(73,543)	-	-	-	-	(32,899)	-
Title III - English Language Acquisition	84,365	S365A220080	100-034-5064-187	12,738	7/1/22-9/30/23	(8,159)	28,770	(20,900)	-	-	-	-	(889)	-
Title III - English Language Acquisition	84,365	S365A210080	100-034-5064-187	10,991	7/1/21-9/30/22	(8,159)	28,770	(22,461)	-	-	-	-	(2,450)	-
Title IV	84,424	S369A220081	100-034-5064-189	12,602	7/1/22-9/30/23	-	12,602	(12,602)	-	-	-	-	-	-
Title IV	84,424	S369A210081	100-034-5064-189	32,823	7/1/21-9/30/22	(560)	566	(12,602)	-	-	-	-	-	-
<b>Special Education Cluster:</b>							13,168	(12,602)	-	-	-	-	-	-
LD.E.A. Part B	84,027	H027A220100	100-034-5065-016	845,025	7/1/22-9/30/23	-	706,460	(857,248)	-	-	-	-	(150,788)	-
LD.E.A. Part B	84,027	H027A210100	100-034-5065-016	820,479	7/1/21-9/30/22	(28,556)	28,556	(4,789)	-	-	-	-	(4,789)	-
ARP LD.E.A. Part B	84,027X	H027X210100	100-034-5065-016	139,924	7/1/21-9/30/22	(56,458)	(56,458)	(35,469)	-	-	-	-	(91,927)	-
LD.E.A. Preschool	84,173	H173A220114	100-034-5065-020	53,594	7/1/22-9/30/23	-	17,202	(44,441)	-	-	-	-	(27,239)	-
LD.E.A. Preschool	84,173	H173A210114	100-034-5065-020	68,570	7/1/21-9/30/22	(9,889)	12,859	(1,101)	-	-	-	-	(8,131)	-
ARP LD.E.A. Preschool	85,175X	H175X210115	100-034-5065-021	11,935	7/1/21-9/30/22	(10,310)	30,061	(480)	-	-	-	-	(10,800)	-
Total Special Education Cluster							(28,199)	(45,921)	-	-	-	-	(46,120)	-
<b>Education Stabilization Fund:</b>							765,077	(943,498)	-	-	-	-	(293,634)	-
CARE'S Emergency Relief	84,425D	S425D200027	100-034-5120-513	236,452	3/13/20-9/30/22	(17,038)	54,253	(36,146)	-	-	-	1,069	(1,065)	-
Digital Divide	84,425D	S425D200027	100-034-5120-516	44,341	7/1/20-10/31/20	(1,065)	208,455	(212,727)	-	-	-	-	(15,733)	-
GRSA Elementary and Secondary School Emergency Relief Fund	84,425D	S425D210027	100-034-5120-518	62,084	3/13/20-9/30/23	-	13,111	(13,111)	-	-	-	-	-	-
GRSA Learning Acceleration	84,425D	S425D210027	100-034-5120-518	2,450	3/13/20-9/30/23	(1,889)	12,465	(10,716)	-	-	-	-	(8,826)	-
GRSA Mental Health	84,425D	S425D210027	100-034-5120-518	2,450	3/13/20-9/30/23	(235,010)	84,425	(154,687)	-	-	-	-	(70,262)	-
ARP ESSER III	84,425U	S425U210027	100-034-5120-519	264,709	3/13/20-9/30/24	(44,673)	114,457	(154,687)	-	-	-	-	(40,330)	-
ARP ESSER III Mental Health	84,425U	S425U210027	100-034-5120-519	45,000	3/13/20-9/30/24	(33,130)	97,302	(327)	-	-	-	-	(107,754)	-
<b>Total U.S. Department of Education</b>							1,892,528	(1,951,222)	-	-	-	1,069	(590,654)	-
<b>Total Expenditures of Federal Awards</b>							9,557,382	(9,582,709)	-	-	-	1,069	(64,063)	-

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

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WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	BALANCE, JUNE 30, 2023		MEMO CUMULATIVE TOTAL EXPENDITURES	
											UNEARNED REVENUE	GRANTOR RECEIVABLE		
<b>New Jersey Department of Education:</b>														
General Fund:														
State Aid Public:														
Special Education Categorical Aid	495-034-5120-089	\$ 3,271,093	7/1/22-6/30/23	-	-	\$ 3,271,093	\$ (3,271,093)	-	-	-	-	\$ -	\$ 322,971	\$ 3,271,093
Security Aid	495-034-5120-084	341,937	7/1/22-6/30/23	-	-	341,937	(341,937)	-	-	-	-	-	33,761	341,937
Total State Aid Public						\$ 3,613,030	\$ (3,613,030)	-	-	-	-	-	\$ 356,733	\$ 3,613,030
Transportation Aid	495-034-5120-014	1,385,702	7/1/22-6/30/23	-	-	1,385,702	(1,385,702)	-	-	-	-	-	136,817	1,385,702
Extraordinary Aid	495-034-5120-043	1,197,230	7/1/22-6/30/23	-	-	-	(1,197,230)	-	-	-	(1,197,230)	-	-	1,197,230
Extraordinary Aid	495-034-5120-043	1,001,106	7/1/22-6/30/23	(1,001,106)	-	1,001,106	-	-	-	-	-	-	-	-
Additional Non-Public Transportation Aid	495-034-5120-013	58,580	7/1/22-6/30/23	-	-	-	(58,580)	-	-	-	(58,580)	-	-	58,580
Additional Non-Public Transportation Aid	495-034-5120-014	47,422	7/1/22-6/30/23	(47,422)	-	47,422	-	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,462,727	7/1/22-6/30/23	-	-	2,341,104	(2,462,727)	-	-	-	(121,623)	-	-	2,462,727
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,426,656	7/1/22-6/30/23	(121,260)	-	121,260	-	-	-	-	-	-	-	-
Post Retirement	495-034-5094-001	3,134,412	7/1/22-6/30/23	-	-	3,134,412	(3,134,412)	-	-	-	-	-	-	3,134,412
Medical (Noncash Assistance)	495-034-5094-002	11,931,637	7/1/22-6/30/23	-	-	11,931,637	(11,931,637)	-	-	-	-	-	-	11,931,637
TPAF - Pension	495-034-5094-002	4,032	7/1/22-6/30/23	-	-	4,032	(4,032)	-	-	-	-	-	-	4,032
Contributions (Noncash Assistance)	495-034-5094-004	-	-	-	-	-	-	-	-	-	-	-	-	-
TPAF - Long-Term Disability	495-034-5094-004	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance (Noncash Assistance)	495-034-5094-004	-	-	-	-	-	-	-	-	-	-	-	-	-
Total General Fund				(1,169,788)	-	23,579,705	(23,787,350)	-	-	-	(1,377,433)	-	493,550	23,787,350
Special Revenue Fund:														
Non-Public Aid:														
Textbooks	100-034-5120-064	5,214	7/1/22-6/30/23	-	-	5,214	(4,903)	-	-	-	-	-	311	4,903
Textbooks	100-034-5120-064	12,123	7/1/22-6/30/23	356	-	-	(8,431)	-	(356)	-	-	-	-	-
Nursing Services	100-034-5120-070	8,848	7/1/22-6/30/23	-	-	8,848	(8,431)	-	-	-	-	-	-	8,431
Nursing Services	100-034-5120-070	22,624	7/1/22-6/30/23	757	-	-	(3,238)	-	(757)	-	-	-	-	-
Technology Initiative	100-034-5120-573	3,318	7/1/22-6/30/23	-	-	3,318	(3,238)	-	-	-	-	-	-	3,238
Technology Initiative	100-034-5120-508	16,494	7/1/22-6/30/23	4,750	-	-	(15,785)	-	(4,750)	-	-	-	-	-
Security Aid	100-034-5120-508	16,494	7/1/22-6/30/23	16,494	-	-	-	-	-	-	-	-	-	-
Security Aid	100-034-5120-509	35,350	7/1/22-6/30/23	21,397	-	16,195	(15,785)	-	(21,397)	-	-	-	-	15,785
Auxiliary Services Aid (Chapter 193); Compensatory Education	100-034-5120-067	52,776	7/1/22-6/30/23	-	-	52,776	(52,776)	-	-	-	-	-	-	52,776
Handicapped Services (Chapter 193); Examination and Classification	100-034-5120-066	32,975	7/1/22-6/30/23	-	-	32,975	(31,527)	-	-	-	-	-	-	31,527
Examination and Classification	100-034-5120-066	10,245	7/1/22-6/30/23	2,493	-	-	(1,448)	-	(2,493)	-	-	-	-	-
Corrective Speech	100-034-5120-066	14,694	7/1/22-6/30/23	-	-	14,694	(14,694)	-	-	-	-	-	-	14,694
Supplementary Instruction	100-034-5120-066	14,207	7/1/22-6/30/23	-	-	14,207	(14,207)	-	-	-	-	-	-	14,207
SDA Emergent & Capital Maintenance Needs Grant	N/A	162,683	7/1/22-6/30/23	-	-	162,683	(162,683)	-	-	-	-	-	-	162,683
Total Special Revenue Fund				29,753	-	310,910	(308,244)	-	(29,753)	-	-	-	2,666	308,244
Debt Service Fund:														
Debt Service Aid														
Total Debt Service Fund						728,457	(728,457)	-	-	-	-	-	-	728,457
<b>New Jersey Department of Agriculture:</b>														
Enterprise Fund:														
National School Breakfast Program	100-010-3350-002	516	7/1/22-6/30/23	-	-	421	(516)	-	-	-	(95)	-	-	516
National School Lunch Program	100-010-3350-023	13,977	7/1/22-6/30/23	(1,798)	-	11,577	(13,977)	-	-	-	(2,400)	-	-	13,977
National School Lunch Program	100-010-3350-023	31,224	7/1/22-6/30/23	-	-	1,798	-	-	-	-	-	-	-	-
Total Enterprise Fund				(1,798)	-	13,796	(14,493)	-	-	-	(2,495)	-	-	14,493
Total State Financial Assistance				\$ (1,141,833)	-	\$ 24,632,868	\$ (24,838,544)	-	\$ (29,753)	-	\$ (2,666)	-	\$ 493,550	\$ 24,838,544
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
TPAF - Post Retirement	495-034-5094-001	\$ 3,134,412	7/1/22-6/30/23			\$	\$ 3,134,412							
Medical (Noncash Assistance)	495-034-5094-002	11,931,637	7/1/22-6/30/23				11,931,637							
TPAF - Pension	495-034-5094-002	4,032	7/1/22-6/30/23				4,032							
Contributions (Noncash Assistance)	495-034-5094-004	-	-				-							
TPAF - Long-Term Disability	495-034-5094-004	-	-				-							
Insurance (Noncash Assistance)	495-034-5094-004	-	-				-							
Total State Financial Assistance Subject to Calculation for Major Program Determination							\$ (9,768,463)							

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

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**WALL TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2023**

**Note 1. Basis of Presentation**

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

**Note 2. Summary of Significant Accounting Policies**

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2023. 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, 2023.

**WALL TOWNSHIP BOARD OF EDUCATION  
 NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE  
 FINANCIAL ASSISTANCE  
 YEAR ENDED JUNE 30, 2023 (Continued)**

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$52,277 for the general fund and (\$55,974) 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	\$ 44,857	\$ 23,735,073	\$ 23,779,930
Special Revenue Fund	2,063,475	294,005	2,357,480
Debt Service Fund	-	728,457	728,457
Food Service Fund	544,590	14,493	559,083
Total Awards & Financial Assistance	<u>\$ 2,652,922</u>	<u>\$ 24,772,028</u>	<u>\$ 27,424,950</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

The Wall Township School District had no loan balances outstanding at June 30, 2023.



**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**Section I - Summary of Auditor's Results**

**Financial Statements**

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

**Federal Awards**

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

Identification of major programs:

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

Dollar threshold used to determine Type A programs	\$ 750,000
Auditee qualified as low-risk auditee?	_____ <u>X</u> yes _____ no

**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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

**State Financial Assistance**

Dollar threshold used to determine Type A programs \$ 750,000

Auditee qualified as low-risk auditee?  X  yes   no

Internal control over major programs:

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

2) Significant deficiency(ies) identified?  X  yes   no

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?  X  yes   no

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
	State Aid Public:
<u>495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
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**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

**Section II - Financial Statement Findings**

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

None.

**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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

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

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

**Finding 2023-001**

Information on the State Programs:

495-034-5120-089 - Special Education Categorical Aid; 495-034-5120-084 - Security Aid

Criteria or Special Requirement:

*N.J.S.A.* 18A:22-8.1, requires Executive County Superintendent approval and two-thirds affirmative vote of the board of education for line-item transfers from any general fund appropriation account that on a cumulative basis exceed 10 percent of the amount of the account included in the budget certified for taxes.

Condition:

The School District transferred general fund appropriations an amount that on a cumulative basis exceeded 10 percent of the total amount included in the original budget, without proper Executive County Superintendent approval.

Cause:

The School District was not properly monitoring line-item transfer requests sent to the Executive County Superintendent.

Known or Likely Questioned Costs:

None

Effect or Potential Effect:

The District is not in compliance with State Aid Grant program requirements.

Recommendation:

Executive County Superintendent approval should be requested for any transfer from an advertised appropriation account as defined under *N.J.A.C.* 6A:23A-13.3(f), which is cumulatively more than 10 percent of that amount. The district should maintain documentation that substantiates the request was received by the Executive County Superintendent when written approval is not received.

View of Responsible Officials & Planned Corrective Actions:

The School District made great strides in improving in this area and will continue to address this finding in the Corrective Action Plan.

**WALL TOWNSHIP BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2023**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.