

**WEST MORRIS REGIONAL
HIGH SCHOOL DISTRICT**

**West Morris Regional High School District Board of Education
Chester, New Jersey**

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

**Annual Comprehensive
Financial Report**

of the

**West Morris Regional
High School District**

Chester, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**West Morris Regional High School District
Board of Education**

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal	1
Organizational Chart.....	5
Roster of Officials	6
Consultants and Advisors	7

FINANCIAL SECTION

Independent Auditors' Report	9
Required Supplementary Information	12
Management's Discussion and Analysis.....	13
Basic Financial Statements (Sections A. and B.)	21
A. District-Wide Financial Statements	22
A-1 Statement of Net Position.....	23
A-2 Statement of Activities	24
B. Fund Financial Statements	26
B-1 Balance Sheet – Governmental Funds.....	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds	28
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
B-4 Statement of Net Position – Proprietary Funds	32
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds.....	33
B-6 Statement of Cash Flows – Proprietary Funds	34
Notes to the Basic Financial Statements.....	35

Required Supplementary Information.....

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other Than Pensions	79
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees' Retirement System.....	79
L-2 Schedule of District Contributions – Public Employees' Retirement System	80
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Attributable to the District – Teachers' Pension and Annuity Fund	81
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund.....	82
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Attributable to the District and Related Ratios	83
Notes to Required Supplementary Information	84

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

FINANCIAL SECTION (Cont'd)

C.	Budgetary Comparison Schedules	86
C-1	Budgetary Comparison Schedule – General Fund	87
C-2	Budgetary Comparison Schedule – Special Revenue Fund	100
C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information.....	102

Supplementary Schedules (Sections D. to I.)

D.	School Level Schedules (Not Applicable)	104
E.	Special Revenue Fund.....	105
E-1	Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis	106
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund.....	110
F-1	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	111
F-1a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – D-Wing Roofing System.....	112
F-1b	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – Bathroom Renovations.....	113
F-1c	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central and Mendham High Schools – Design Fees.....	114
F-1d	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Mendham High School – Culinary Arts Room.....	115
F-1e	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central and Mendham High Schools – Design Fees.....	116
F-1f	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – Bathroom Renovations.....	117
F-1g	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Mendham High School – Bathroom Renovations	118
F-1h	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Mendham High School – Roofing System	119
F-1i	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – Bleachers	120
F-1j	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Mendham High School – Bleachers	121
F-1k	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – Cafeteria HVAC.....	122
F-1l	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Mendham High School – Cafeteria HVAC	123
F-1m	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West Morris Central High School – Field Turf Replacement.....	124

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

FINANCIAL SECTION (Cont'd)

Supplementary Schedules (Sections D. to I.) (Cont'd)

G. Proprietary Funds.....	125
Enterprise Fund:	
G-1 Statement of Net Position.....	126
G-2 Statement of Revenue, Expenses and Changes in Fund Net Position.....	127
G-3 Statement of Cash Flows.....	128
H. Fiduciary Activities (Not Applicable).....	129
I. Long-Term Debt.....	130
I-1 Schedule of Serial Bonds	131
I-2 Schedule of Obligations Under Financed Purchases.....	132
I-3 Schedule of Obligations Under Leases.....	133
I-4 Schedule of Obligations Under Subscription-Based Information Technology Arrangements (Not Applicable)	
I-5 Budgetary Comparison Schedule – Debt Service Fund	134

STATISTICAL SECTION (UNAUDITED)

J. Statistical Schedules (Unaudited).....	135
J-1 Net Position by Component	136
J-2 Changes in Net Position	138
J-3 Fund Balances - Governmental Funds	142
J-4 Changes in Fund Balances - Governmental Funds.....	143
J-5 General Fund Other Local Revenue by Source	145
J-6 Assessed Value and Estimated Actual Value of Taxable Property	146
J-7 Direct and Overlapping Property Tax Rates	148
J-8 Principal Property Taxpayers	151
J-9 Property Tax Levies and Collections	156
J-10 Ratios of Outstanding Debt by Type	159
J-11 Ratios of Net General Bonded Debt Outstanding	162
J-12 Ratios of Overlapping Governmental Activities Debt	165
J-13 Legal Debt Margin Information	166
J-14 Demographic and Economic Statistics.....	167
J-15 Principal Employers	170
J-16 Full-Time Equivalent District Employees by Function/Program.....	171
J-17 Operating Statistics.....	172
J-18 School Building Information.....	173
J-19 Schedule of Required Maintenance for School Facilities	174
J-20 Insurance Schedule.....	175

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

SINGLE AUDIT SECTION

K. Single Audit	177
K-1 Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	178
K-2 Report on Compliance for Each Major Federal and State Program; Report on Internal Control over Compliance Required by the Uniform Guidance and NJOMB 15-08	180
K-3 Schedule of Expenditures of Federal Awards	183
K-4 Schedule of Expenditures of State Awards	185
K-5 Notes to the Schedules of Expenditures of Federal and State Awards.....	187
K-6 Schedule of Findings and Questioned Costs	189
K-7 Summary Schedule of Prior Audit Findings	191

INTRODUCTORY SECTION
(UNAUDITED)



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

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BUSINESS ADMINISTRATOR/BOARD SECRETARY

MELISSA HEIKE
ASSISTANT SUPERINTENDENT, CURRICULUM & INSTRUCTION

MICHAEL REINKNECHT
DIRECTOR OF SPECIAL EDUCATION

November 10, 2023

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the West Morris Regional High School District (the "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 West Morris Regional High School District Board of Education (the "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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials and consultants. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. 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*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: West Morris Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The West Morris Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The District, serving the Boroughs of Chester and Mendham and the Townships of Chester, Mendham and Washington, was formed on March 2, 1956, pursuant to Chapter 13 of Title 18A of New Jersey Statutes, which authorizes two or more municipalities to create a regional school district upon the approval of the

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2
November 10, 2023

voters of each of said municipalities. The School District is one of “limited purpose” in that it does not operate a K-8 school system; instead K-8 students of the municipalities attend separate K-8 school districts maintained by four of the five municipalities. Chester Borough and Chester Township schools are consolidated under the name “Chester Township School District” and the remaining three municipalities constitute separate districts.

While some residents commute to jobs in the Newark-New York City area, many residents work in nearby communities. They primarily are professionals, executives, clerical and skilled workers, a few farmers and local independent business people. Housing throughout the School District varies from apartments, townhouses, colonial and Victorian residences to new developments and large contemporary homes on several acres.

The School District operates two, grade 9-12, comprehensive high schools: West Morris Mendham High School, which is located in Mendham Borough, and West Morris Central High School, which is located in Washington Township. Students residing in Washington Township generally attend West Morris Central High; students residing in Chester Borough, Chester Township, Mendham Township and Mendham Borough generally attend West Morris Mendham High.

The School District is administered by a nine-member Board of Education (“the Board”), with three members elected each year for three-year terms. A candidate for the Board must have resided in the School District for at least one year and not be interested directly in any claim or contract with the Board. Board members serve without compensation. The Board annually chooses a President and a Vice President from among its members and also appoints the Treasurer of School Monies, Board Secretary/Business Administrator and Assistant Board Secretary. The Superintendent of Schools is appointed by the Board on a renewable contractual basis for a minimum of three and a maximum of five years. In January 2012, the Board voted to move the election to November as allowed by NJ Statutes, forgoing a budget vote for four years, provided the budget is at or below the tax cap indicated within state statute. Bonds authorized by the Board for capital projects must be approved or disapproved by the voters in the School District in a referendum election which may be held at various specific times in accordance with State statute.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for students with educational disabilities. The District completed the 2022/2023 fiscal year with an enrollment of 2,059 students. The following table illustrates the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	2,059	(5.46%)
2021-2022	2,178	(1.76%)
2020-2021	2,217	(5.94%)
2019-2020	2,357	(2.92%)
2018-2019	2,428	(1.38%)
2017-2018	2,462	(4.35%)
2016-2017	2,574	(0.92%)
2015-2016	2,598	(2.29%)
2014-2015	2,659	(2.78%)
2013-2014	2,735	(1.41%)

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 3
November 10, 2023

2. ECONOMIC CONDITION AND OUTLOOK: The five communities which compromise the District enjoy a relatively stable economic environment. Housing developments remain tempered due to the Highlands Act. Enrollments are projected to continue to decline over the next five years. The Board of Education continues to be a consistent steward of taxpayer funds.

3. MAJOR INITIATIVES: The district continues to rank highly on standardized tests, with students scoring well above state and national averages on SAT, ACT, AP, and IB examinations. Approximately 95% of our students continue their education at two or four-year colleges. For the 22-23 school year, students took 1001 AP exams with 771 scores of three (3) or higher. For the 536 students in WMRHSD Class of 2023, 92 were AP Scholars, 61 students earned an International Baccalaureate Diploma, and 100 students earned an International Baccalaureate Career Programme Certificate. The IB Career Programme continues to grow, with pathways in Business, Life and Health Sciences, STEM, Political Science and Law, and Visual and Performing Arts. The district's personalized learning initiative provides every student with a Chromebook and access to a variety of learning platforms. Professional development focuses on the needs of the IB Programmes, the Approaches to Teaching and Learning, and the effective implementation of instructional technology. The district continues to address student wellness with dedicated counselors in this area, additional practices integrated into school life, and the highly successful Unified Sports program at both schools.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system 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 generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 4
November 10, 2023

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at fiscal year-end are either canceled or are included as re-appropriations of fund balance in the subsequent fiscal year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments at June 30, 2023.

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

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found in Exhibit J-20.

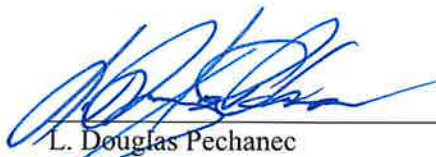
9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia, LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was 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*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and Government Auditing Standards are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the West Morris Regional High School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



Barbara Sargent
Superintendent



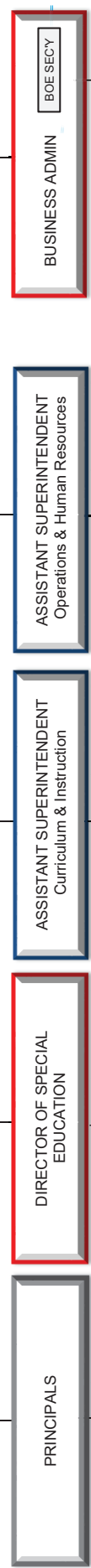
L. Douglas Pechanec
Business Administrator/Board Secretary



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BOARD of EDUCATION
 10 South Four Bridges Road, Chester, New Jersey

SUPERINTENDENT

EXEC/CONF. SECY
(agenda)





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ASSISTANT SUPERINTENDENT, CURRICULUM & INSTRUCTION

MICHAEL REINKNECHT
DIRECTOR OF SPECIAL EDUCATION

ROSTER OF OFFICIALS AS OF JUNE 30, 2023

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Robert Strobel	President	December	2026
Lisa Woodring	Vice President	December	2025
Suzanne Bliesath	Member	December	2026
Thomas Brooks	Member	December	2025
Natasha Chandler	Member	December	2026
Armand Czapkowski	Member	December	2024
Peter Pappas	Member	December	2025
John Sheppard	Member	December	2024
Don Storms	Member	December	2024

OTHER OFFICIALS

Barbara Sargent, Superintendent

L. Douglas Pechanec, Business Administrator/Board Secretary

Jon Rheinhardt, Treasurer

Matthew Giacobbe, Esq., Board Attorney

Riker, Danzig, Scherer, Hyland & Perretti, Conflict Resolution Attorney

David J. Ruitenber, Esq., Construction Attorney



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Insurance Consultant

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FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

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 Board of Education of the West Morris Regional High School District (the "District") in the County of Morris, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 remaining aggregate fund information of the District, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, 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 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 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, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are 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 District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 supplementary information schedules and the schedules of expenditures of federal and state awards 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 November 10, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

November 10, 2023
Mt. Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell
Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2023
(Unaudited)

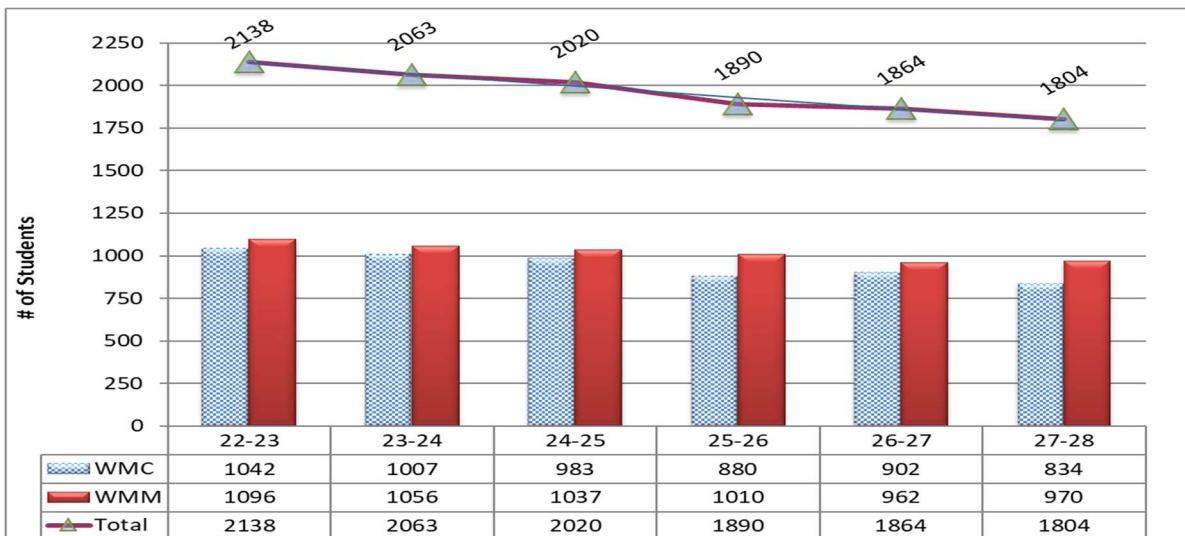
Management's Discussion and Analysis:

The discussion and analysis of West Morris Regional High School District's financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to review the district's financial performance in aggregate; readers should also review the basic financial statements and notes to enhance their understanding of the district's financial performance.

Municipalities Comprising the Regional District:

The West Morris Regional High School District was established in 1956, and is located in bucolic Morris County, New Jersey. West Morris Regional is one of the Nation's premier International Baccalaureate (IB) high school districts and provides a full range of educational, co-curricular and athletic services for grades 9 through 12 to the students of Chester Borough, Chester Township, Mendham Borough, Mendham Township and Washington Township in Morris County, New Jersey. The district has an excellent academic reputation with two highly regarded high schools, West Morris Central (WMC) and West Morris Mendham (WMM). In addition to being named to the College Board's Advanced Placement Honor Roll, West Morris Regional is one of two New Jersey districts authorized to award both the IB Diploma and the Career-related certificate.

The chart below reflects each school's enrollment as of October 15, 2022 and a five-year projection.



Note: projections are based on our constituent K-8 districts kids in seats.

District's Mission

The West Morris Regional High School District is guided by one simple mission--advance student growth and learning. In West Morris, we believe that the only way to effectuate better outcomes is to ensure that our students and staff are highly engaged, balanced, and reflective at all levels and in all environments. We also know that increased student engagement can only occur through adherence to the following:

1. *Recruit, develop, and retain the most dynamic/passionate educators.*
2. *Develop, evaluate, and continuously assess the depth and relevance of our curricula and programs.*
3. *Ensure that our facilities are well maintained and meet the social, emotional, academic, and extra-curricular needs of our students/staff.*
4. *Develop budgets capable of maintaining and growing our programs while being both responsible and responsive to community needs.*

Our mission statement is the starting point for staff to integrate innovations into the district's curriculum while providing dynamic experiences in the classrooms that empower its students to learn and succeed. The district's students continue to achieve above state and national averages due to these efforts.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2023
(Unaudited)

Summary of Financial Performance:

The district's budget is prepared four months prior to the start of the fiscal year in accordance with New Jersey State statutes. This time delay results in periodic adjustments to the original appropriations of the annual operating budget throughout the fiscal year. The district practice is to minimize transfers between major accounts. Transfer activity was more normalized this fiscal year.

The following chart provides a summary of revenues initially anticipated for the 2022-2023 fiscal year budget and the change from the prior year budget.

SOURCE of REVENUES	<u>2021-22</u>	<u>2022-23</u>	<u>\$ inc/(dec)</u>
Tax Revenue	\$46,752,685	\$48,378,298	\$1,625,613
Debt Svc. (Bonds)	\$2,075,913	\$2,104,960	\$29,047
TAX LEVY TOTALS:	\$48,828,598	\$50,483,258	\$1,654,660
	% overall tax levy increase		3.39%
State Aid Revenue	\$4,028,117	\$3,886,793	(\$141,324)
Fund Balance	\$3,724,549	\$3,423,872	(\$300,677)
Misc. Revenues	\$1,409,709	\$1,467,254	\$57,545
Special Revenue-Fed/IDEA Funds	\$649,195	\$651,248	\$2,053
Capital Reserve withdrawl	<u>\$2,049,986</u>	<u>\$939,665</u>	<u>(\$1,110,321)</u>
	\$11,861,556	\$10,368,832	(\$1,492,724)
TOTAL REVENUE/BUDGET:	\$60,690,154	\$60,852,090	\$161,936
	% overall revenue/budget increase		0.27%

The state mandated tax levy cap of 2%, plus allowable waivers if any, is the maximum increase that all NJ Public Schools must adhere to as the budget is developed. State law also allows Boards of Education (BOE) to opt out of the election process as long as the budget is at or below the established cap. West Morris Regional BOE did vote to opt out, choosing to remain within the established tax levy cap. The tax increase exceeded 2% over last school year attributable to utilizing an allowable waiver resulting in an increase of 3.39% as well as a 0.27% calendar year increase. State aid revenue for 2022-2023 decreased \$(141,324) or (3.5%) below the 2021-22 level. The state aid revenue above does not include FICA reimbursements or extraordinary aid received from the state since funds are not included in the regular budget process.

Staffing costs represent 70.0% of the annual budget. The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market. As of July 1, 2023 three of four bargaining unit contracts are currently in force. The teacher contract, the largest labor cost of the district, will expire on June 30, 2024.

In addition, the district's budget practices and conservative spending generated an excess surplus of \$5,549,408 to be allocated in fiscal year 2024-2025. The excess surplus, when compared to prior years appears to be significantly higher. This is due to funds budgeted that were not needed as anticipated.

Finally, the West Morris Regional High School District is committed to financial excellence. The district's financial planning, budgeting and internal controls provide structural integrity to its financial system. The school district intends to continue its practice of sound fiscal management and continue to meet its financial responsibilities.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2023 (Unaudited)

Explanation of the Annual Comprehensive Financial Report (A.C.F.R.):

The Annual Comprehensive Financial Report presents the district's financial position as of June 30, 2023 and it is the annual financial report of the district. This report consists of three parts: Management Discussion and Analysis (this section); Basic Financial Statements; Notes to the financial statements and Required Supplementary Information.

Basic Financial Statements:

The Basic Financial Statements present the district's financial activity from two different points of view: District-Wide and Fund Based.

District-Wide: The first two statements in this Report, Statement of Net Position and Statement of Activities, are district-wide financial statements that provide both short-term and long-term information about the district's overall financial position. These statements consider the financial activities for the entire operating entity (as if specific-purpose funds did not exist) and quantify whether the district's overall financial position has improved or diminished during the fiscal year. In these statements, assets, deferred outflows and inflows of resources and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid. Additionally, in the Statement of Net Position and Statement of Activities, the district's financial activity is divided into two kinds of activities, Governmental and Business Type.

Fund Based: The remaining statements are fund financial statements that focus on specific purposes of the district and report the operations of these purposes in more detail than the district-wide statements.

The district's Governmental Funds provide a short-term view of the district's general operations for regular and special education, transportation and administration. These Governmental Funds include the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund. Assets and liabilities are reported using a modified-accrual accounting basis, in which cash and all other financial assets are recorded when they can be readily converted to cash. Revenues are recorded when cash is received or is expected to be received soon after year-end. Expenditures are recorded when goods (or services) have been received and the related liability is due and payable.

The Proprietary Fund contains services that are provided on a charge-for-service basis, such as the district's food service program. Assets and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid.

The Notes to the Financial Basic Statements explain some of the information in the statements and provide more detailed data than noted in the Basic Financial Statements.

Finally, the section of Required Supplementary Information explains and supports the financial statements with a comparison of district data over multiple years.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2023
(Unaudited)

District-Wide Viewpoint:

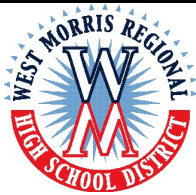
Statement of Net Position During 2022-2023 the district's total Net Position increased \$3,061,506, or 6.56%. Net Position for Governmental Activities increased \$3,044,575, and Net Position from Business Activities increased by \$16,931.

	Governmental Activities		Business Activities		TOTAL	TOTAL	%
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	
ASSETS:							
Current & Other Assets	\$18,665,695	\$18,117,387	\$ 95,246	\$ 77,160	\$18,760,941	\$18,194,547	
Capital Assets, Net	\$ 51,089,798	\$ 52,621,844	\$ 6,257	\$ 9,554	\$ 51,096,055	\$ 52,631,398	
TOTAL ASSETS	\$69,755,493	\$70,739,231	\$ 101,503	\$ 86,714	\$69,856,996	\$70,825,945	-1.37%
Deferred Outflows of Resources	\$ 1,862,982	\$ 1,711,651	-	-	\$ 1,862,982	\$ 1,711,651	8.84%
LIABILITIES:							
Other Liabilities	\$ 1,916,787	\$ 2,357,850	\$ 46,519	\$ 48,661	\$ 1,963,306	\$ 2,406,511	
Long Term Liabilities	\$ 18,515,183	\$ 19,330,895	\$ 5,000	\$ 5,000	\$ 18,520,183	\$ 19,335,895	
TOTAL LIABILITIES	\$ 20,431,970	\$ 21,688,745	\$ 51,519	\$ 53,661	\$ 20,483,489	\$ 21,742,406	-5.79%
Deferred Inflows of Resources	\$ 1,494,071	\$ 4,114,278	\$ -	\$ -	\$ 1,494,071	\$ 4,114,278	-63.69%
NET POSITION:							
Investment in							
Capital Assets	\$ 43,348,925	\$ 43,164,091	\$ -	\$ -	\$ 43,355,182	\$ 43,173,645	
Restricted	\$ 13,000,937	\$ 7,878,011	\$ 6,257	\$ 9,554	\$ 13,000,937	\$ 7,878,011	
Unrestricted (Deficit)	\$ (6,657,428)	\$ (4,394,243)	\$ 43,727	\$ 23,499	\$ (6,613,701)	\$ (4,370,744)	
TOTAL NET POSITION	\$ 49,692,434	\$ 46,647,859	\$ 49,984	\$ 33,053	\$ 49,742,418	\$ 46,680,912	6.56%

Net Position: Investment in Capital Assets increased \$181,537 as a result of \$2,021,068 in asset additions, a \$2,080,000 reduction in bonded debt and a \$480,844 decrease in leases payable, offset by a net increase in financed purchases payable of \$(163,169), decreases in deferred amount on refunding of \$(204,764) and lease assets being amortized of \$(476,031), \$(2,953,111) in depreciation expense and \$(603,300) of capital assets disposed, net of depreciation.

Restricted Net Position Restricted Net Position increased \$5,122,926 as a result of net increases in excess surplus of \$3,930,251, student activities of \$41,137, capital reserve of \$1,156,221 and unemployment compensation of \$10,411, offset by net decreases in scholarships of \$(12,760) and debt service of \$(2,334).

Unrestricted Net Position decreased \$(2,242,957) primarily as a result of the 2% reduction (from 4% to 2%) in the maximum unassigned fund balance pursuant to the NJDOE Excess Surplus Calculation for the fiscal year ended June 30, 2023 of \$1,208,378 and a \$1,928,166 increase in the District's net PERS pension liability.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2023 (Unaudited)

Statement of Activities - Operating Results:

The overall impact of school operations resulted in an increase of \$1,609,101 over 2021-2022 results. Revenues decreased in total by (3.98%) or \$(2,703,404) primarily attributable to a decrease in operating grants and contributions. Expenses decreased as well by (6.49%) or \$(4,312,505). The decrease in expenses is due primarily to the reduction in Instruction and Maintenance & Operations spending.

Statement of Changes

Changes in Net Position from Operating Results	Governmental Activities		Business Activities		TOTAL	TOTAL	VARIANCE	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	\$'s	%
REVENUES:								
Program Revenues								
Charges for Service	\$ 749,028	\$ 732,863	\$ 920,281	\$ 690,898	\$ 1,669,309	\$ 1,423,761	\$ 245,548	
Operating Grants & Contrib.	\$ 11,317,999	\$ 14,734,494			\$ 11,317,999	\$ 14,734,494	\$ (3,416,495)	
Capital Grants & Contrib.	\$ 59,911	\$ 784,314			\$ 59,911	\$ 784,314	\$ (724,403)	
General Revenues								
Property Taxes	\$ 50,480,924	\$ 48,860,064			\$ 50,480,924	\$ 48,860,064	\$ 1,620,860	
Federal & State Aid (unrestricted)	\$ 486,240	\$ 599,213			\$ 486,240	\$ 599,213	\$ (112,973)	
Other	\$ 1,175,706	\$ 1,492,022	\$ 388	\$ 13	\$ 1,176,094	\$ 1,492,035	\$ (315,941)	
TOTAL REVENUES:	\$ 64,269,808	\$ 67,202,970	\$ 920,669	\$ 690,911	\$ 65,190,477	\$ 67,893,881	\$ (2,703,404)	-3.98%
EXPENSES:								
Instruction	\$ 29,356,788	\$ 31,413,123			\$ 29,356,788	\$ 31,413,123	\$ (2,056,335)	
Pupil & Instruction Services	\$ 13,132,080	\$ 13,762,398			\$ 13,132,080	\$ 13,762,398	\$ (630,318)	
Admin/Business/Technology	\$ 6,200,414	\$ 6,748,024			\$ 6,200,414	\$ 6,748,024	\$ (547,610)	
Maintenance & Operations	\$ 4,691,026	\$ 6,434,112			\$ 4,691,026	\$ 6,434,112	\$ (1,743,086)	
Transportation	\$ 5,495,399	\$ 5,037,244			\$ 5,495,399	\$ 5,037,244	\$ 458,155	
Other Expenses	\$ 2,349,526	\$ 2,361,956	\$ 903,738	\$ 684,619	\$ 3,253,264	\$ 3,046,575	\$ 206,689	
TOTAL EXPENSES	\$ 61,225,233	\$ 65,756,857	\$ 903,738	\$ 684,619	\$ 62,128,971	\$ 66,441,476	\$ (4,312,505)	-6.49%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CHANGE IN NET POSITION	\$ 3,044,575	\$ 1,446,113	\$ 16,931	\$ 6,292	\$ 3,061,506	\$ 1,452,405	\$ 1,609,101	110.79%

As seen above in the Change in Net Position, the majority of activity is driven by Governmental Activities. These activities constitute 98.59% of total revenues and 98.55% of expenses shown on this statement.

Net Cost of Governmental Activities:

Cost Category	2022-23 Total Cost of Services	2021-22 Total Cost of Services	2022-23 Net Cost of Services	2021-22 Net Cost of Services
Governmental Activities:				
Instruction	\$ 29,356,788	\$ 31,413,123	\$ 21,834,189	\$ 21,440,634
Pupil & Instruction Services	\$ 13,132,080	\$ 13,762,398	\$ 10,449,680	\$ 10,483,469
Admin/Business/Technology	\$ 6,200,414	\$ 6,748,024	\$ 5,794,467	\$ 6,167,228
Maintenance & Operations	\$ 4,691,026	\$ 6,434,112	\$ 4,631,115	\$ 5,649,798
Transportation	\$ 5,495,399	\$ 5,037,244	\$ 4,039,318	\$ 3,402,101
Other	\$ 2,349,526	\$ 2,361,956	\$ 2,349,526	\$ 2,361,956
TOTAL	\$ 61,225,233	\$ 65,756,857	\$ 49,098,295	\$ 49,505,186

The Total Cost of Governmental Activities decreased from the prior year, attributable to declining enrollment leading to a reduction in staffing costs. Also annual cost declined due to a reduction in the District's contractually required TPAF On-behalf Pension Contribution.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2023
(Unaudited)

Capital Assets (Net of Depreciation):

At the end of fiscal year 2023, the district had a total of \$51,096,055 invested in land, building, furniture, equipment and vehicles, net of depreciation. The table below compares this balance to fiscal year 2021-2022. The overall decrease of \$(1,535,343) or (2.92%) is primarily attributable to capital additions of \$2,021,068 - \$1,021,112 capital outlay and \$999,956 capital projects. Depreciation was \$2,949,814 for governmental activities and \$3,297 for business type activities. Disposals, net of depreciation, were \$603,300 for governmental activities and \$-0- for Business Activities. (Additional information regarding the District's Capital Assets is contained in Note 7 to the Basic Financial Statements).

Capital Assets	Governmental Activities		Business Activities		TOTAL	TOTAL	VARIANCE	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	\$'s	%
Sites	\$ 130,448	\$ 130,448			\$ 130,448	\$ 130,448	\$ -	0.00%
Construction in Progress	\$ 3,991,421	\$ 3,991,421			\$ 3,991,421	\$ 3,991,421	\$ -	0.00%
Site Improvements	\$ 4,562,611	\$ 4,207,555			\$ 4,562,611	\$ 4,207,555	\$ 355,056	8.44%
Building & Improv.	\$41,356,229	\$43,082,250			\$41,356,229	\$43,082,250	\$ (1,726,021)	-4.01%
Machinery & Equip.	\$ 1,049,089	\$ 1,210,170	\$ 6,257	\$ 9,554	\$ 1,055,346	\$ 1,219,724	\$ (164,378)	-13.5%
TOTAL	\$51,089,798	\$52,621,844	\$6,257	\$9,554	\$51,096,055	\$52,631,398	\$ (1,535,343)	-2.92%

Outstanding Long-Term Liabilities:

The District's total outstanding Long-Term Liabilities at the end of fiscal year 2023 total \$18,520,183, a decrease of \$(815,712), or (4.22%) from 2022. The decrease resulted from annual Bond, Financed Purchases and Lease payments, amortization of Bond Premiums, and a reduction in the District's PERS Net Pension Liability offset by the issuance of new Financed Purchases and Leases Payable. The district bond obligation will be fully retired in May 2024. (Additional information regarding the District's Long-Term Liabilities is contained in Note 9 to the Basic Financial Statements).

Outstanding Long Term Debt	2022-23	2021-22	VARIANCE	
	Long-Term Debt	Long-Term Debt	\$'s	%
General Obligation Bonds (Financed w/Property Taxes)	\$ 2,080,000	\$ 4,160,000	\$ (2,080,000)	-50.00%
Unamortized Bond Premiums	\$ 222,215	\$ 444,430	\$ (222,215)	-50.00%
Financed Purchase Payable	\$ 5,865,319	\$ 5,702,150	\$ 163,169	2.86%
Lease Payable	\$ 1,073,378	\$ 1,554,222	\$ (480,844)	-30.94%
Net Pension Liability	\$ 7,965,801	\$ 6,037,635	\$ 1,928,166	31.94%
Governmental Activities	\$ 1,308,470	\$ 1,432,458	\$ (123,988)	-8.66%
Business-Type Activities	\$ 5,000	\$ 5,000	\$ -	0.00%
TOTAL	\$ 18,520,183	\$ 19,335,895	\$ (815,712)	-4.22%



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis for Fiscal Year End June 30, 2023 (Unaudited)

Food Service Performance:

In the Statement of Net Position and Statement of Activities the financial activity for the district's food service program is presented as Business Type Activities. The following points highlight its activities during fiscal year 2022-2023: The Food Service Program experienced a \$10,639 increase in net position this year. The District's revenues of \$920,281 and expenses of \$903,738 increased significantly over fiscal year 2021-2022. The return of students to full time participation in school activities bolstered the Food Service Operation. Under normal circumstances, charges for Service constitute 99.96% of its total revenue and represent the amounts paid by patrons of the daily food service. The prices charged were increased this past year to support the increase in cost of goods sold. The school district does not participate in the National School Lunch Program; however, the Food Service Program provides for those students who qualify and have a need. The number of students in the program is consistent year over year of approximately 30 participants.

Changes in Net Position from Operating Results	Business Activities		VARIANCE	
	2022-23	2021-22	\$"s	%
REVENUES:				
Program Revenues				
Charges for Service	\$ 920,281	\$690,898		
Operating Grants & Contrib.				
Capital Grants & Contrib.				
General Revenues				
Property Taxes				
Federal & State Aid (unrestricted)				
Other	\$388	\$13		
TOTAL REVENUES:	\$920,669	\$690,911	\$ 229,758	33.25%
EXPENSES:				
Instruction				
Pupil & Instruction Services				
Admin/Business/Technology				
Maintenance & Operations				
Transportation				
Other Expenses	\$ 903,738	\$684,619		
TOTAL EXPENSES	\$903,738	\$684,619	\$ 219,119	32.01%
Transfers	\$0	\$0		
CHANGE IN NET POSITION	\$16,931	\$6,292	\$10,639	169.09%

Food Service Management has been outsourced since fiscal year 2008-2009. However, the district has retained some of its employees who are provided with health benefits. In January of 2021 state law, referred to as Chapter 44, required public schools to provide an alternative health plan that substantially reduced the employee contribution and shifted the burden to the district. This change had a significant impact on our food service's ability to generate a break-even status, let alone a profit.

The contractual arrangement with Pomptonian includes a provision that the district will not sustain a loss due to operations. Should there be an operating loss, the agreement with our management company provides a return of the management fee if an operating profit is not achieved.

The district is required by law to bid the service every five years and selected Pomptonian in 2008-2009 and then Aramark in 2013-2014. For 2022-2023 Pomptonian was selected again. A Request for Proposal is required every 5 years and will be offered to all school food providers within New Jersey at the close of the 2022-2023 fiscal year.



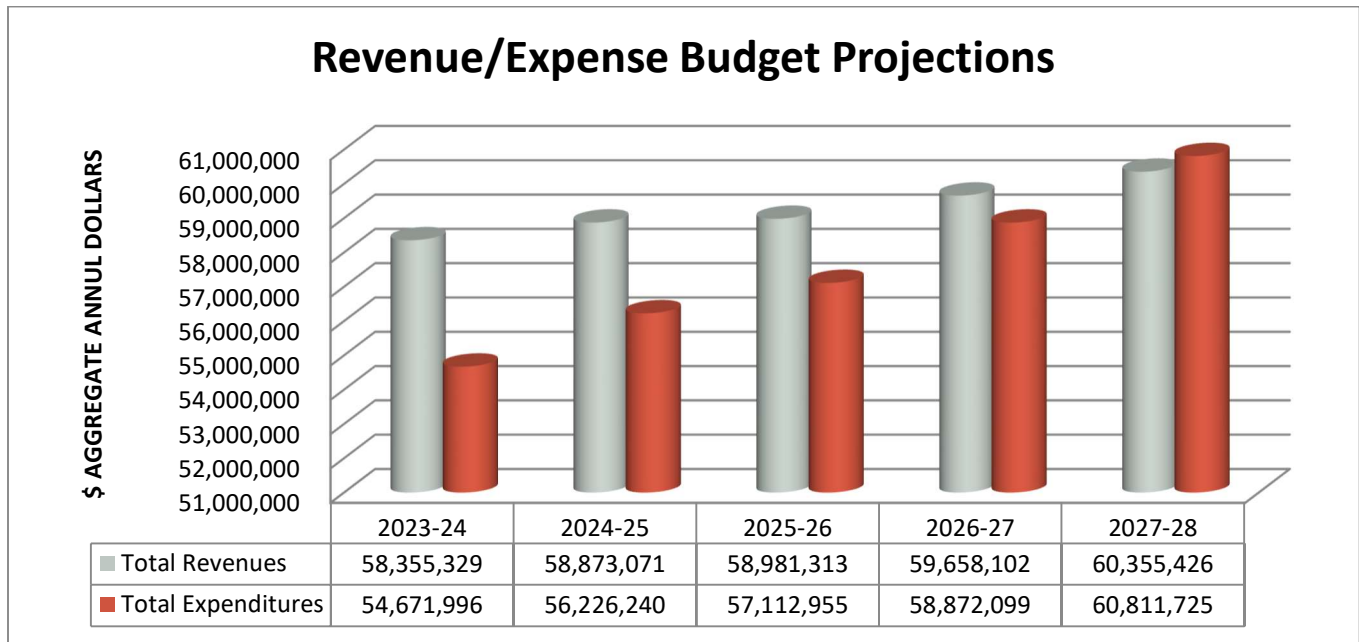
WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
for Fiscal Year End June 30, 2023
(Unaudited)

Factors Bearing on District's Future:

The district continues to excel in academic performance. The financial health of the district remains strong and stable. In looking forward to the next five years, management is preparing for the ongoing decline in enrollment and determining the associated cost reductions that accompany the lower demand. Furthermore, we intend to continue investing in classroom technology and the infrastructure that supports academic and co-curricular activities. However, several areas are of great concern: rising healthcare costs, the demands for increased spending for special education services and declining state aid.

The chart below provides an estimate of financial operating needs the district will face over the next five years. The starting point for the projection was the 2022-23 actual revenues and expenses based on General Fund activities only.



Assumptions:

- The BOE will maximize tax levy increase at 2% annually
- state aid revenue will continue to decline at a rate of 3% annually
- as enrollments decline the student teacher ratio will be maintained leading to reduced staffing levels
- annual growth rate for salaries is projected to be between 1.5 to 4%
- benefits are projected at 27% of salaries;
- health care costs will increase at a rate of 12.5% annually

The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market.

Conclusion:

The West Morris Regional High School District completed the fiscal year 2022-2023 in sound financial condition. The school district is proud of its community support of the public schools. However, it is concerned with the increased reliance on local property taxes as state-aid continues to decline.

This annual comprehensive financial report has been provided to our citizens, taxpayers, investors and creditors with a general overview of the school district's finances. If you have questions about this report or need additional information, contact: Mr. L. Douglas Pechanec, Business Administrator/Board Secretary, West Morris Regional Board of Education, 10 South Four Bridges Road, Chester, NJ 07930, (dpechanec@wmrhsd.org).

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BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 9,102,863	\$ 71,217	\$ 9,174,080
Receivables from Other Governments	3,664,198		3,664,198
Internal Balances	(9,725)	9,725	
Other Receivables	375	2,221	2,596
Inventory		12,083	12,083
Restricted Assets - Cash and Cash Equivalents	4,834,924		4,834,924
Capital Assets, Net:			
Sites (Land) and Construction in Progress	4,121,869		4,121,869
Depreciable Buildings and Building Improvements, Site Improvements, Machinery & Equipment	46,967,929	6,257	46,974,186
Lease Assets, Net	1,073,060		1,073,060
Total Assets	69,755,493	101,503	69,856,996
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	204,764		204,764
Deferred Outflows of Resources Related to Pensions	1,658,218		1,658,218
Total Deferred Outflows of Resources	1,862,982		1,862,982
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,799,208	16,637	1,815,845
Accrued Interest Expense	2,080		2,080
Payable to State Government	29,782		29,782
Unearned Revenue	85,717	29,882	115,599
Noncurrent Liabilities:			
Due Within One Year	4,092,110		4,092,110
Due Beyond One Year	14,423,073	5,000	14,428,073
Total Liabilities	20,431,970	51,519	20,483,489
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	1,494,071		1,494,071
Total Deferred Inflows of Resources	1,494,071		1,494,071
NET POSITION			
Net Investment in Capital Assets	43,348,925	6,257	43,355,182
Restricted for:			
Capital Projects	3,735,938		3,735,938
Maintenance	996		996
Excess Surplus	8,166,013		8,166,013
Unemployment Compensation	208,970		208,970
Student Activities	384,370		384,370
Scholarships	67,118		67,118
Laptop Replacement	437,532		437,532
Unrestricted (Deficit)	(6,657,428)	43,727	(6,613,701)
Total Net Position	\$ 49,692,434	\$ 49,984	\$ 49,742,418

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 21,025,590	\$ 3,156,315		\$ (17,869,275)		\$ (17,869,275)
Special Education	4,735,681	3,877,746		(857,935)		(857,935)
Other Instruction	3,595,517	488,538		(3,106,979)		(3,106,979)
Support Services:						
Tuition	4,745,106	\$ 221,282		(3,814,657)		(3,814,657)
Student & Instruction Related Services	8,386,974	527,746		(6,635,023)		(6,635,023)
General Administration Services	1,416,377	1,224,205		(1,416,377)		(1,416,377)
School Administration Services	2,622,237	405,947		(2,216,290)		(2,216,290)
Central Services	738,817			(738,817)		(738,817)
Administrative Information Technology	1,422,983			(1,422,983)		(1,422,983)
Plant Operations and Maintenance	4,691,026		\$ 59,911	(4,631,115)		(4,631,115)
Pupil Transportation	5,495,399	1,456,081		(4,039,318)		(4,039,318)
Interest on Long-Term Debt	5,429			(5,429)		(5,429)
Unallocated Depreciation	2,344,097			(2,344,097)		(2,344,097)
Total Governmental Activities	61,225,233	749,028	59,911	(49,098,295)		(49,098,295)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenues				Net (Expenses)/Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Business-Type Activities: Food Service	\$ 903,738	\$ 920,281			\$ 16,543	\$ 16,543	16,543
Total Business-Type Activities	903,738	920,281			16,543	16,543	16,543
Total Primary Government	\$ 62,128,971	\$ 1,669,309	\$ 11,317,999	\$ 59,911	\$ (49,098,295)	16,543	(49,081,752)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					48,378,298		48,378,298
Taxes Levied for Debt Service					2,102,626		2,102,626
Federal and State Aid Not Restricted					486,240		486,240
Investment Earnings					290,045	388	290,433
Other Miscellaneous Income					885,661		885,661
Total General Revenues					52,142,870	388	52,143,258
Change in Net Position					3,044,575	16,931	3,061,506
Net Position - Beginning					46,647,859	33,053	46,680,912
Net Position - Ending					\$ 49,692,434	\$ 49,984	\$ 49,742,418

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 8,840,348		\$ 262,515	\$ 9,102,863
Receivables from Federal Government		\$ 317,846		317,846
Receivables from State Government	1,029,482	59,911		1,089,393
Tax Levy Receivable	2,256,959			2,256,959
Other Receivables		375		375
Interfund Receivable	255,753		44,278	300,031
Restricted Cash and Cash Equivalents	3,945,904	889,020		4,834,924
Total Assets	\$ 16,328,446	\$ 1,267,152	\$ 306,793	\$ 17,902,391
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,053,187	\$ 6,880	\$ 22,548	\$ 1,082,615
Payable to State Government		29,782		29,782
Interfund Payable	54,003	255,753		309,756
Unearned Revenue		85,717		85,717
Total Liabilities	1,107,190	378,132	22,548	1,507,870
Fund Balances:				
Restricted:				
Capital Reserve	3,735,938			3,735,938
Maintenance Reserve	996			996
Excess Surplus (For 2024-2025)	4,867,599			4,867,599
Excess Surplus (For 2023-2024)	3,298,414			3,298,414
Unemployment Compensation	208,970			208,970
Student Activities		384,370		384,370
Scholarships		67,118		67,118
Laptop Replacement		437,532		437,532
Committed			284,245	284,245
Assigned:				
Year-End Encumbrances	143,575			143,575
For Subsequent Year's Expenditures	1,198,057			1,198,057
Unassigned	1,767,707			1,767,707
Total Fund Balances	15,221,256	889,020	284,245	16,394,521
Total Liabilities and Fund Balances	\$ 16,328,446	\$ 1,267,152	\$ 306,793	\$ 17,902,391

Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances - Governmental Funds (Above)	\$ 16,394,521
Capital Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds	51,089,798
Leased Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds	1,073,060
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions, Excluding District Contribution Subsequent to the Measurement Date	941,625
Deferred Inflows of Resources Related to Pensions	(1,494,071)
Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the expenditure	204,764
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(2,080)
Long-Term Liabilities, including Bonds and Net Pension Liability Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(18,515,183)
Net Position of Governmental Activities (Exhibit A-1)	\$ 49,692,434

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 48,378,298			\$ 2,102,626	\$ 50,480,924
Tuition Revenue	221,282				221,282
Miscellaneous - Restricted	885,661	\$ 560,439			1,446,100
Miscellaneous - Unrestricted	241,098		\$ 48,947		290,045
Total - Local Sources	49,726,339	560,439	48,947	2,102,626	52,438,351
State Sources	15,591,070	159,980			15,751,050
Federal Sources	5,583	843,795			849,378
Total Revenue	65,322,992	1,564,214	48,947	2,102,626	69,038,779
EXPENDITURES:					
Current:					
Regular Instruction	14,547,448				14,547,448
Special Education Instruction	3,126,812	102,423			3,229,235
Other Instruction	2,583,429				2,583,429
Support Services and Undistributed Costs:					
Tuition	4,035,939	709,167			4,745,106
Student & Instruction Related Services	5,514,216	657,410			6,171,626
General Administration Services	1,313,201				1,313,201
School Administration Services	1,801,124				1,801,124
Central Services	604,735				604,735
Administrative Information Technology	519,625				519,625
Plant Operations and Maintenance	4,229,197				4,229,197
Pupil Transportation	5,291,615	6,926			5,298,541
Unallocated Benefits	18,736,044				18,736,044

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd):					
Debt Service:					
Principal				\$ 2,080,000	\$ 2,080,000
Interest and Other Charges				24,960	24,960
Capital Outlay	\$ 1,791,486	\$ 59,911	\$ 999,956		2,851,353
Total Expenditures	64,094,871	1,535,837	999,956	2,104,960	68,735,624
Excess/(Deficit) of Revenue Over/(Under) Expenditures	1,228,121	28,377	(951,009)	(2,334)	303,155
OTHER FINANCING SOURCES/(USES):					
Financed Purchases (Non-Budgeted)	430,000		900,000		1,330,000
Cancellation of Financed Purchase Proceeds			(118,869)		(118,869)
Transfers In	1,098,762		194,401		1,293,163
Transfers Out	(194,401)		(1,098,762)		(1,293,163)
Total Other Financing Sources/(Uses)	1,334,361	- 0 -	(123,230)	- 0 -	1,211,131
Net Change in Fund Balances	2,562,482	28,377	(1,074,239)	(2,334)	1,514,286
Fund Balance—July 1	12,658,774	860,643	1,358,484	2,334	14,880,235
Fund Balance—June 30	\$ 15,221,256	\$ 889,020	\$ 284,245	\$ - 0 -	\$ 16,394,521

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2) \$ 1,514,286

Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit 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 and disposals of capital assets differ from capital outlays in the period.

Depreciation Expense	\$ (2,949,814)
Capital Outlays	2,021,068
Disposal of Capital Assets, Net of Accumulated Depreciation	<u>(603,300)</u>
	(1,532,046)

Capital outlays related to lease assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period.

Amortization expense	(476,031)
Lease asset additions	<u>- 0 -</u>
	(476,031)

Financed purchases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.

(1,330,000)

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

1,166,831

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

\$ 480,844

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability (1,928,166)
Change in Deferred Outflows of Resources Related to Pensions 305,131
Change in Deferred Inflows of Resources Related to Pensions 2,620,207

In the Statement of Activities, certain operating expenses, e.g., compensated absences (sick and vacation) 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 (+).

123,988

Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

2,080,000

In the Statement of Activities, interest on long-term debt is accrued, regardless of when it is due. In the Governmental Funds, interest is reported when it is due. The accrued interest is an addition in the reconciliation. (+)

2,080

The Governmental Funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities (+)

222,215

The Governmental Funds report the effect of the deferred amount on refunding when debt is first issued, whereas this amount is deferred and amortized in the Statement of Activities (-)

(204,764)

Change in Net Position of Governmental Activities (Exhibit A-2)

\$ 3,044,575

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>Business-type Activities - Enterprise Funds</u>
	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 71,217
Inventories	12,083
Interfund Receivable - General Fund	9,725
Other Accounts Receivable	<u>2,221</u>
Total Current Assets	<u>95,246</u>
Non-Current Assets:	
Capital Assets	152,944
Less: Accumulated Depreciation	<u>(146,687)</u>
Total Non-Current Assets	<u>6,257</u>
Total Assets	<u>101,503</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable - Vendors	16,637
Unearned Revenue	<u>29,882</u>
Total Current Liabilities	<u>46,519</u>
Non-Current Liabilities:	
Accrued Compensated Absences Payable	<u>5,000</u>
Total Liabilities	<u>51,519</u>
NET POSITION:	
Investment in Capital Assets	6,257
Unrestricted	<u>43,727</u>
Total Net Position	<u>\$ 49,984</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds
	Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Non-reimbursable Programs	\$ 917,137
Special Events	3,144
Total Operating Revenue	920,281
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	362,435
Salaries, Benefits & Payroll Taxes	404,828
Supplies, Insurance and Other Costs	133,178
Depreciation Expense	3,297
Total Operating Expenses	903,738
Operating Income	16,543
Non-Operating Revenue:	
Interest Income	388
Total Non-Operating Revenue	388
Change in Net Position	16,931
Net Position - Beginning of Year	33,053
Net Position - End of Year	\$ 49,984

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Business-type Activities - Enterprise Funds Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 918,574
Payments to Food Service Vendor	(860,233)
Payments to Employees	(35,758)
Payments to Suppliers	<u>(4,207)</u>
Net Cash Provided by Operating Activities	<u>18,376</u>
Cash Flows from Investing Activities:	
Interest Income	<u>388</u>
Net Cash Provided by Investing Activities	<u>388</u>
Net Increase in Cash and Cash Equivalents	18,764
Cash and Cash Equivalents, July 1	<u>52,453</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 71,217</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 16,543
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	3,297
Changes in Assets and Liabilities:	
Decrease in Inventory	870
(Increase) in Other Accounts Receivable	(2,221)
Decrease in Interfund Receivable	2,029
(Decrease) in Accounts Payable	(435)
(Decrease) in Unearned Revenue	<u>(1,707)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 18,376</u></u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the West Morris Regional High School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by board resolution.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

The District reports the following governmental funds: (Cont'd)

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally 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 expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset, lease asset or subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under financed purchases or leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. All budget Amendments/Transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the fiscal year).

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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 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 except for student activities, scholarships and laptop replacement costs. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current fiscal year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 65,309,887	\$ 1,557,459
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		6,755
State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes (Prior Year)	380,409	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	<u>(367,304)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 65,322,992</u>	<u>\$ 1,564,214</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 64,094,871	\$ 1,529,082
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting.		<u>6,755</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 64,094,871</u>	<u>\$ 1,535,837</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments with maturities of one year or less.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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 the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. 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 restricted, committed and/or assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet 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.

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditure during the fiscal year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

K. Capital Assets:

During the fiscal year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings	50 years
Building and Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Lease Assets:

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Subscription Assets:

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets are determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term.

N. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premiums and discounts are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages for this purpose as of June 30, 2023.

P. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Compensated Absences: (Cont'd)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy or employee agreements. Upon termination, an employee is reimbursed for accumulated unused sick and personal time based upon the employee's age and years of service. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

Q. Leases Payable:

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

R. Subscriptions Payable:

In the district-wide financial statements, subscriptions payable are reported as liabilities in the Statement of Net Position. In the governmental Fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the Special Revenue Fund.

T. Fund Balance Appropriated:

General Fund: Of the \$15,221,256 General Fund balance at June 30, 2023, \$3,735,938 is restricted in the capital reserve account; \$996 is restricted in the maintenance reserve account; \$208,970 restricted for Unemployment Compensation; \$1,198,057 is assigned and included as anticipated revenue for the fiscal year ending June 30, 2024; 143,575 is assigned for encumbrances; \$8,166,013 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended (\$3,298,414 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2024 and the remaining \$4,867,599 is current fiscal year excess surplus and will be included as anticipated revenue for the fiscal year ending June 30, 2025); and \$1,767,707 is unassigned which is \$367,304 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the June state aid payments which are not recognized until the fiscal year ended June 30, 2024.

Special Revenue Fund: The Special Revenue Fund balance at June 30, 2023 of \$889,020 is restricted for student activities, scholarships, and laptop replacement costs.

Capital Projects Fund: The Capital Projects Fund balance at June 30, 2023 of \$284,245 is committed for capital projects.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Fund Balance Appropriated: (Cont'd)

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General 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 fiscal year's budget. The District had excess surplus at June 30, 2023 as outlined above.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$367,304 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event one or more state school aid payments are not made until the following school budget year, districts must record the June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

U. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2023 of \$1,862,982 for the deferred amount on refunding of debt related to the District's 2011 and 2021 refunding bonds and the deferred outflows of resources related to pensions.

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows of resources at June 30, 2023 of \$1,494,071 for the deferred inflows of resources related to pensions.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization and subscription assets, net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Net Position: (Cont'd)

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

V. Deficit Net Position:

The District has a \$6,657,428 deficit in unrestricted net position in governmental activities as of June 30, 2023 primarily due to the non-recognition of the June state aid payments as explained in Note 1T on the previous page, unamortized bond premiums, compensated absences and interest payable, deferred inflows of resources related to pensions and net pension liability, offset by deferred outflows of resources related to pensions, excluding District contribution subsequent to the measurement date, and Governmental Funds unassigned, committed and assigned fund balances. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments, Assignments and Non-Spendable Fund Balance:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, excess surplus, unemployment compensation, student activities, scholarships and laptop replacement as defined by State law.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has \$284,245 of committed resources in the Capital Projects Fund at June 30, 2023.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources of \$143,575 for year-end encumbrances and \$1,198,057 for amounts designated for the subsequent fiscal year's expenditures in the General Fund at June 30, 2023.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

W. Fund Balance Restrictions, Commitments, Assignments and Non-Spendable Fund Balance: (Cont'd)

Nonspendable fund balance includes resources that are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include but not limited to inventories, prepaid amounts, and property held for resale.

X. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

Z. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

AA. 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 fiduciary net position of the State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the investments section of this note.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits: (Cont'd)

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

New Jersey statutes permit the Board to purchase the following types of securities: (Cont'd)

- (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2023, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents		
	Unrestricted	Restricted	Total
Checking/Savings Accounts	\$ 8,985,530	\$ 4,829,174	\$ 13,814,704
New Jersey Cash Management Fund	188,550	5,750	194,300
	\$ 9,174,080	\$ 4,834,924	\$ 14,009,004

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023 was \$14,009,004 and the bank balance was \$14,634,236. The \$194,300 with New Jersey Cash Management Fund is uninsured and unregistered.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the West Morris Regional High School District by inclusion of \$300,000 on June 30, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at fiscal year-end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2022	\$ 2,579,717
Interest Earnings	20,840
Unexpended Funds Returned - Capital Outlay	25,231
Unexpended Funds Returned - Capital Projects Fund	1,049,815
Board Approved Increase - Resolution Dated June 26, 2023	1,000,000
Budgeted Withdrawal	<u>(939,665)</u>
Ending Balance, June 30, 2023	<u>\$ 3,735,938</u>

The balance in the capital reserve account at June 30, 2023 does not exceed the balance of local support costs of uncompleted capital projects in the District’s Long Range Facilities Plan (“LRFP”). Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$500,000 was established by Board resolution on June 27, 2011. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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	\$ <u>996</u>
Ending Balance, June 30, 2023	\$ <u><u>996</u></u>

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2023, the District transferred \$60,186 to the capital outlay accounts for equipment which did not require County Superintendent approval and \$-0- to the capital outlay accounts for facilities acquisition and construction services.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the fiscal year ended June 30, 2023 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 130,448			\$ 130,448
Construction in Progress	3,991,421			3,991,421
Total Capital Assets Not Being Depreciated	<u>4,121,869</u>			<u>4,121,869</u>
Capital Assets Being Depreciated:				
Site Improvements	7,056,257	\$ 691,512		7,747,769
Buildings and Building Improvements	81,179,565	308,444	\$ (186,838)	81,301,171
Machinery and Equipment	4,537,000	1,021,112	(2,383,865)	3,174,247
Total Capital Assets Being Depreciated	<u>92,772,822</u>	<u>2,021,068</u>	<u>(2,570,703)</u>	<u>92,223,187</u>
Governmental Activities Capital Assets	<u>96,894,691</u>	<u>2,021,068</u>	<u>(2,570,703)</u>	<u>96,345,056</u>
Less Accumulated Depreciation for:				
Site Improvements	(2,848,702)	(336,456)		(3,185,158)
Buildings and Building Improvements	(38,097,315)	(1,959,730)	112,103	(39,944,942)
Machinery and Equipment	(3,326,830)	(653,628)	1,855,300	(2,125,158)
	<u>(44,272,847)</u>	<u>(2,949,814)</u>	<u>1,967,403</u>	<u>(45,255,258)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 52,621,844</u>	<u>\$ (928,746)</u>	<u>\$ (603,300)</u>	<u>\$ 51,089,798</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 152,944			\$ 152,944
Less Accumulated Depreciation	(143,390)	\$ (3,297)		(146,687)
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 9,554</u>	<u>\$ (3,297)</u>	<u>\$ - 0 -</u>	<u>\$ 6,257</u>

The District had active construction projects totaling \$1,094,401 with unexpended balances of \$284,245 as of June 30, 2023 which included \$25,055 in outstanding construction commitments at June 30, 2023.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 12,818
Student and Instruction Related Services	9,219
Administrative Information Technology	353,365
Plant Operations and Maintenance	187,966
Transportation	42,349
Unallocated	<u>2,344,097</u>
Total Depreciation - Governmental Activities	<u>\$ 2,949,814</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 8. LEASE ASSETS

Lease asset balances and activity for the fiscal year ended June 30, 2023 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Lease Assets Being Amortized:				
Machinery and Equipment	\$ 2,049,620	<u> </u>	\$ (235,996)	\$ 1,813,624
Total Lease Assets Being Amortized	<u>2,049,620</u>	<u> </u>	<u>(235,996)</u>	<u>1,813,624</u>
Governmental Activities Lease Assets	<u>2,049,620</u>	<u> </u>	<u>(235,996)</u>	<u>1,813,624</u>
Less Accumulated Amortization for:				
Machinery and Equipment	<u>(500,529)</u>	<u>\$(476,031)</u>	<u>235,996</u>	<u>(740,564)</u>
	<u>(500,529)</u>	<u>(476,031)</u>	<u>235,996</u>	<u>(740,564)</u>
Governmental Activities Lease Assets, Net of Accumulated Amortization	<u>\$ 1,549,091</u>	<u>\$(476,031)</u>	<u>\$ - 0 -</u>	<u>\$ 1,073,060</u>

Amortization expense was charged to governmental functions as follows:

Regular Instruction	<u>\$ 476,031</u>
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NOTE 9. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the District-wide financial statements:

	<u>Balance 6/30/2022</u>	<u>Issued/ Added</u>	<u>Retired</u>	<u>Balance 6/30/2023</u>
Serial Bonds Payable	\$ 4,160,000		\$ 2,080,000	\$ 2,080,000
Unamortized Bond Premiums	444,430		222,215	222,215
Financed Purchases Payable	5,702,150	\$ 1,330,000	1,166,831	5,865,319
Leases Payable	1,554,222		480,844	1,073,378
Net Pension Liability	6,037,635	1,928,166		7,965,801
Compensated Absences Payable:				
Governmental Funds	1,432,458	19,812	143,800	1,308,470
Proprietary Funds	<u>5,000</u>	<u> </u>	<u> </u>	<u>5,000</u>
	<u>\$ 19,335,895</u>	<u>\$ 3,277,978</u>	<u>\$ 4,093,690</u>	<u>\$ 18,520,183</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be retired through the Debt Service Fund.

The District had bonds outstanding as of June 30, 2023 as follows:

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Refunding School Bonds	05/01/2024	0.60%	<u>\$ 2,080,000</u>

The current portion of bonds payable at June 30, 2023 is \$2,080,000 and the long-term portion is \$-0-.

Principal and interest due on serial bonds outstanding are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	<u>\$ 2,080,000</u>	<u>\$ 12,480</u>	<u>\$ 2,092,480</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2023, the Board has no bonds authorized but not issued.

C. Leases Payable:

The District had leases outstanding as of June 30, 2023 as follows:

<u>Purpose</u>	<u>Frequency of Payment</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Classroom Technology Equipment	Annual	08/15/23	1.2540%	\$ 52,559
Classroom Technology Equipment	Annual	08/15/24	1.3500%	136,662
Classroom Technology Equipment	Annual	08/15/24	0.6870%	303,872
Classroom Technology Equipment	Annual	08/15/26	1.4980%	<u>580,285</u>
				<u>\$ 1,073,378</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

C. Leases Payable: (Cont'd)

Principal and interest due on leases outstanding will be liquidated through the General Fund and are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 413,700	\$ 13,285
2025	365,221	8,544
2026	146,134	4,411
2027	<u>148,323</u>	<u>2,222</u>
	<u>\$ 1,073,378</u>	<u>\$ 28,462</u>

D. Financed Purchases Payable:

In fiscal year 2023, the District entered a financed purchase in the amount of \$1,330,000 for buses, vans, utility vehicles and field turf replacement. The District has seven financed purchases totaling \$9,251,917 of which \$3,386,598 has been liquidated as of June 30, 2023. Except for the ESIP financed purchase which is for fifteen years with the final payment occurring in fiscal year 2032-33, all financed purchases are for three to five years. The schedule of the future minimum financed purchase payments under the District's financed purchases and the present value of the net minimum financed purchase payments at June 30, 2023 are detailed below.

<u>Year</u>	<u>Amount</u>
2024	\$ 1,503,961
2025	1,211,270
2026	1,211,257
2027	648,715
2028	523,075
2029-2033	<u>1,355,717</u>
	6,453,995
Less: Amount representing interest	<u>(588,676)</u>
Present value of net minimum financed purchase payments	<u>\$ 5,865,319</u>

The current portion of financed purchases payable at June 30, 2023 is \$1,376,195 and the long-term portion is \$4,489,124. The General Fund will be used to liquidate financed purchases payable.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

E. Unamortized Bond Premiums:

Unamortized bond premiums of the governmental fund types are recorded in the noncurrent liabilities of the Governmental Activities. As of June 30, 2023, the current portion of the liability is \$222,215, and the long-term portion is \$-0-.

F. Compensated Absences Payable:

The liability for compensated absences of the Governmental Fund types as of June 30, 2023 is recorded in the current and long-term liabilities. The compensated absences balance in Governmental Activities of \$1,308,470 is reported as a long-term portion. The General Fund will be used to liquidate the Governmental Activities Compensated Absences Payable.

The liability for vested compensated absences of the Proprietary Fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, the entire \$5,000 of compensated absences is reported as a long-term portion and will be liquidated through the Food Service Enterprise Fund.

G. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$7,965,801. See Note 10 for further information on the PERS.

NOTE 10. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

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 the PERS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to 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 with 25 years or more of service credit before age 62 and Tier 5 with 30 years or more 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 members. 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.

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. District contributions to PERS amounted to \$665,629 for the current fiscal year. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$16,760 to the PERS for normal pension benefits on behalf of the District.

The employee contribution rate was 7.50% effective July 1, 2018.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

At June 30, 2023, the District reported a liability of \$7,965,801 for its proportionate share of the net pension liability. 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 District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.05278%, which was an increase of 0.00182% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit of \$331,544. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$16,760 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources detailed on the following page.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

	<u>Deferral Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions:	2018	5.63		\$ 191,482
	2019	5.21		239,289
	2020	5.16		703,638
	2021	5.13		58,388
	2022	5.04	\$ 24,681	
Subtotal			<u>24,681</u>	<u>1,192,797</u>
Changes in Proportion:	2018	5.63	34,988	
	2019	5.21		1,020
	2020	5.16	217,543	
	2021	5.13		249,553
	2022	5.04	277,223	
Subtotal			<u>529,754</u>	<u>250,573</u>
Difference Between Expected and Actual Experience:	2018	5.63		7,292
	2019	5.21	18,291	
	2020	5.16	39,202	
	2021	5.13		19,627
	2022	5.04		23,782
Subtotal			<u>57,493</u>	<u>50,701</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:	2019	5.00	7,880	
	2020	5.00	236,798	
	2021	5.00	(1,476,995)	
	2022	5.00	1,562,014	
Subtotal			<u>329,697</u>	
District Contribution Subsequent to the Measurement Date	2022	1.00	716,593	
			<u>\$ 1,658,218</u>	<u>\$ 1,494,071</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and District contribution subsequent to the measurement date) related to pensions will be recognized in the pension benefit as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (683,297)
2024	(348,118)
2025	(169,770)
2026	370,374
2027	(816)
	\$ (831,627)

Actuarial Assumptions

The 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 actuarial assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

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 a 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension 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 PERS' target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	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%

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 noncontributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of the actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the 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:

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 10,963,444	\$ 7,965,801	\$ 5,578,855

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service. 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 with 25 years or more of service credit before age 62 and Tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for their 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 members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer 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. During the fiscal year ended 2023, the State of New Jersey contributed \$7,258,296 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$2,552,397.

The employee contribution rate was 7.50% effective July 1, 2018.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$94,839,559. 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 District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.1838%, which was an increase of 0.0038% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>94,839,559</u>
Total	<u>\$ 94,839,559</u>

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$2,552,397 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
Difference Between Expected and Actual Experience:	2015	8.30	13,201,022	
	2016	8.30		21,088,845
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources: (Cont'd)

	<u>Deferral Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:				
	2019	5.00	\$ 36,220,692	
	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	<u>3,319,334,659</u>	
			<u>\$ 4,885,289,911</u>	<u>\$ 19,563,805,393</u>

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2023	\$ (2,658,825,381)
2024	(3,823,762,872)
2025	(3,351,102,048)
2026	(1,509,375,379)
2027	(1,647,727,819)
Total Thereafter	<u>(1,687,721,983)</u>
	<u>\$ (14,678,515,482)</u>

Actuarial Assumptions

The 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 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%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Actuarial Assumptions (Cont'd)

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

The actuarial assumptions used in the July 1, 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 pension 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:

<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 Estate	8.00%	11.19%
Real Assets	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%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Discount Rate – TPAF

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 78% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the State's proportionate share of the net pension liability associated with the District 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:

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 111,201,398	\$ 94,839,559	\$ 81,056,765

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$5,446 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$9,984 for the fiscal year ended June 30, 2023.

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a "special funding situation", as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the 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 Benefits 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 years or more 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, if any, is the responsibility of the individual education employers.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2021, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	151,669
Active Plan Members	<u>213,148</u>
Total	<u><u>364,817</u></u>

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.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the actuarial assumptions on the following page, applied to all periods in the measurement.

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 16.25%
	based on service	based on service	based on service
	years	years	years

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 – June 30, 2021.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Mortality Rates

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

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

Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2022	\$ 100,238,130
Changes for Year:	
Service Cost	4,273,830
Interest Cost	2,217,789
Difference Between Expected and Actual Experience	1,532,951
Changes in Assumptions	(22,449,704)
Member Contributions	70,474
Gross Benefit Payments	(2,196,786)
Net Changes	(16,551,446)
Balance at June 30, 2023	\$ 83,686,684

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022 calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District 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:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 98,364,894	\$ 83,686,684	\$ 71,922,833

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022 calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 69,172,159	\$ 83,686,684	\$ 102,752,393

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$1,870,119 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022, the State had deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District from the following sources:

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	<u>Year of Deferral</u>	<u>Original Amortization Period</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2017	9.54 years		\$ 4,345,102
	2018	9.51 years		4,146,464
	2019	9.29 years	\$ 585,417	
	2020	9.24 years	13,821,979	
	2021	9.24 years	76,650	
	2022	9.13 years		19,990,810
			<u>14,484,046</u>	<u>28,482,376</u>
Difference Between Expected and Actual Experience	2018	9.51 years		3,919,699
	2019	9.29 years		6,890,402
	2020	9.24 years	12,882,627	
	2021	9.24 years		14,740,411
	2022	9.13 years	2,058,766	
			<u>14,941,393</u>	<u>25,550,512</u>
Changes in Proportion	N/A	N/A	<u>399,904</u>	<u>3,764,948</u>
			<u>\$ 29,825,343</u>	<u>\$ 57,797,836</u>

N/A - Not Available

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District, excluding changes in proportion, will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2023	\$ (4,159,265)
2024	(4,159,265)
2025	(4,159,265)
2026	(3,594,647)
2027	(2,055,467)
Total Thereafter	<u>(6,479,540)</u>
	<u>\$ (24,607,449)</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 12. RISK MANAGEMENT

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

Property and Liability Insurance

The District insures property, liability and health benefits through purchased insurance policies with the exception of workers' compensation coverage. The District obtains its health benefit coverage through Horizon Blue Cross Blue Shield of New Jersey. The District is a member of the Morris-Essex Insurance Group (the "Group"). The Group provides its members with workers' compensation coverage. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school districts established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

As a member of this Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Group's liabilities. The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

The June 30, 2023 audit report for the Group is not available as of the date of this report. Selected financial information for the Group as of June 30, 2022 is as follows:

	Morris-Essex Insurance Group
Total Assets	\$ 12,133,641
Net Position	\$ 7,494,542
Total Revenue	\$ 3,715,390
Total Expenses	\$ 3,715,752
Member Dividends	\$ 1,114,730
Change in Net Position for the Year Ended June 30	\$ (1,115,092)

Financial statements for the Group are available at the Group's Executive Director's Office:

The Burton Agency
44 Bergen Street
PO Box 270
Westwood, New Jersey 07675
(201) 664-0310

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the District’s contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ -0-	\$ 1,891	\$ 42,555	\$ 34,035	\$ 208,970
2021-2022	-0-	51	41,299	710	198,559
2020-2021	-0-	85	38,450	16,529	157,919

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees 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, permit participants to defer a portion of their salary until future fiscal years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

403(b)

- AXA Equitable Life Insurance Company
- Variable Annuity Life Insurance Company
- The Vanguard Group
- Metropolitan Life Resources
- Midland National Life Insurance Company
- T. Rowe Price

457

- AXA Equitable Life Insurance Company
- Variable Annuity Life Insurance Company

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

The School District participates in federal and state assisted grant programs. The programs are subject to program compliance audits by grantors or their representatives. The School District is potentially liable for expenditures which may be disallowed pursuant to terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation

The District is periodically involved in pending lawsuits. The District estimates that any potential claims against it resulting from any litigation not covered by insurance would not materially affect the financial position of the District.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 14. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2023, there were encumbrances as detailed below in the governmental funds.

Governmental Funds			
General	Special Revenue	Capital Projects	Total
\$ 143,575	\$ 239	\$ 25,055	\$ 168,869

In the District's Governmental Funds Balance Sheet as of June 30, 2023, no amount is assigned for encumbrances in the Special Revenue Fund since encumbrances are not recognized on the GAAP basis until they are paid. Actual encumbrances of \$239 on the budgetary basis are instead reflected as either a reduction of grants receivable or an increase in unearned revenue on the GAAP basis in the Special Revenue Fund. The encumbrances of \$25,055 in the Capital Projects Fund are included in the \$284,245 of committed fund balance.

NOTE 15. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipalities and are remitted to the school district on a predetermined, agreed-upon schedule.

NOTE 16. ECONOMIC DEPENDENCY

The Board of Education 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, may have an effect on the Board of Education's programs and activities.

NOTE 17. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

During the fiscal year, the General Fund transferred \$194,401 to the Capital Projects Fund for the local share of capital projects and the Capital Projects Fund transferred \$48,947 of interest earnings and \$1,049,815 of unexpended local share of capital projects to the General Fund.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Cont'd)

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 255,753	\$ 54,003
Special Revenue Fund		255,753
Capital Projects Fund	44,278	
Proprietary Funds - Food Service	9,725	
	<u>\$ 309,756</u>	<u>\$ 309,756</u>

At June 30, 2023, the Special Revenue Fund owes the General Fund \$255,753 for cash advanced while awaiting federal and state grant reimbursements. The General Fund owes the Capital Projects Fund \$44,278 for the local share of open projects, net of the unexpended local share of completed capital projects and interest earned due from the Capital Projects Fund. The General Fund owes the Food Service Enterprise Fund \$9,725 for a prior year interfund for the balance of the prior year operating deficit that was not transferred in the current year.

NOTE 18. ACCOUNTS PAYABLE

Accounts payable recorded in the District's Governmental Activities and Business-Type Activities as of June 30, 2023 consisted of the following:

	<u>Governmental Funds</u>			<u>District Contribution Subsequent to Measurement Date</u>	<u>Total Governmental Activities</u>	<u>Business-Type Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>			<u>Proprietary Funds</u>
Payroll Deductions and Withholdings	\$ 322,426				\$ 322,426	
Vendors	730,761	\$ 6,880	\$ 22,548		760,189	\$ 16,637
Due to: State of New Jersey				\$ 716,593	716,593	
	<u>\$1,053,187</u>	<u>\$ 6,880</u>	<u>\$ 22,548</u>	<u>\$ 716,593</u>	<u>\$ 1,799,208</u>	<u>\$ 16,637</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 19. TAX ABATEMENTS

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

For 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.

The Borough of Chester recognized revenue in the amount of \$29,839 from one payment in lieu of taxes ("PILOT") agreement. The taxes which would have been paid on this property for 2022 without the abatement would have been \$69,646 of which \$13,785 would have been regional school taxes.

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
District's Proportion of the Net Pension Liability	0.0492208999%	0.0450609130%	0.0438744109%	0.0491657322%	0.0505520929%
District's Proportionate Share of the Net Pension Liability	\$ 9,215,499	\$ 10,115,272	\$ 12,994,342	\$ 11,444,997	\$ 9,953,455
District's Covered Employee Payroll	\$ 3,060,943	\$ 3,068,637	\$ 3,277,081	\$ 3,491,309	\$ 3,623,694
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	301.07%	329.63%	396.52%	327.81%	274.68%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	52.08%	47.93%	40.14%	48.10%	53.60%
	Fiscal Year Ending June 30,				
	2020	2021	2022	2023	
District's Proportion of the Net Pension Liability	0.0505326671%	0.0528409188%	0.0509655649%	0.0527837948%	
District's Proportionate Share of the Net Pension Liability	\$ 9,105,220	\$ 8,616,972	\$ 6,037,635	\$ 7,965,801	
District's Covered Employee Payroll	\$ 3,606,656	\$ 3,677,383	\$ 3,926,825	\$ 3,793,827	
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	252.46%	234.32%	153.75%	209.97%	
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	56.27%	58.32%	70.33%	62.91%	

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 405,770	\$ 387,403	\$ 389,774	\$ 461,763	\$ 504,995
Contributions in relation to the Contractually Required Contribution	<u>(405,770)</u>	<u>(387,403)</u>	<u>(389,774)</u>	<u>(461,763)</u>	<u>(504,995)</u>
Contribution Deficiency/(Excess)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
District's Covered Employee Payroll	\$ 3,068,637	\$ 3,277,081	\$ 3,491,309	\$ 3,623,694	\$ 3,606,656
Contributions as a percentage of Covered Employee Payroll	13.22%	11.82%	11.16%	12.74%	14.00%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Contractually Required Contribution	\$ 493,674	\$ 578,053	\$ 597,348	\$ 665,629
Contributions in relation to the Contractually Required Contribution	<u>(493,674)</u>	<u>(578,053)</u>	<u>(597,348)</u>	<u>(665,629)</u>
Contribution Deficiency/(Excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's Covered Employee Payroll	\$ 3,677,383	\$ 3,926,825	\$ 3,793,827	\$ 4,089,131
Contributions as a percentage of Covered Employee Payroll	13.42%	14.72%	15.75%	16.28%

Note: This schedule does not contain ten years of information as GASB No. 68 was in during the fiscal year ended June 30, 2015.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
State's Proportion of the Net Pension Liability attributable to the District	0.2118079146%	0.2133155613%	0.2069782016%	0.1956661602%	0.2014047309%
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 113,204,437	\$ 134,824,544	\$ 162,822,232	\$ 131,925,181	\$ 128,129,364
District's Covered Employee Payroll	\$ 20,809,267	\$ 20,158,162	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	544.01%	668.83%	796.89%	643.75%	635.84%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
State's Proportion of the Net Pension Liability attributable to the District	0.1947448553%	0.1874197360%	0.1799724225%	0.1838174869%
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 119,516,756	\$ 123,413,641	\$ 86,522,082	\$ 94,839,559
District's Covered Employee Payroll	\$ 19,710,835	\$ 20,669,891	\$ 20,330,020	\$ 20,788,780
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	606.35%	597.07%	425.59%	456.21%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	26.95%	24.60%	35.52%	32.29%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 6,091,462	\$ 8,232,252	\$ 12,233,825	\$ 9,139,108	\$ 7,469,494
Contributions in relation to the Contractually Required Contribution	(1,153,262)	(1,657,148)	(2,123,905)	(2,965,981)	(3,830,161)
Contribution Deficiency/(Excess)	<u>\$ 4,938,200</u>	<u>\$ 6,575,104</u>	<u>\$ 10,109,920</u>	<u>\$ 6,173,127</u>	<u>\$ 3,639,333</u>
District's Covered Employee Payroll	\$ 20,158,162	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103	\$ 19,710,835
Contributions as a percentage of Covered Employee Payroll	5.72%	8.11%	10.36%	14.72%	19.43%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Contractually Required Contribution	\$ 7,049,418	\$ 7,674,386	\$ 2,035,903	\$ 2,552,397
Contributions in relation to the Contractually Required Contribution	(4,110,833)	(5,231,580)	(7,567,134)	(7,258,296)
Contribution Deficiency/(Excess)	<u>\$ 2,938,585</u>	<u>\$ 2,442,806</u>	<u>\$ (5,531,231)</u>	<u>\$ (4,705,899)</u>
District's Covered Employee Payroll	\$ 20,669,891	\$ 20,330,020	\$ 20,788,780	\$ 20,495,869
Contributions as a percentage of Covered Employee Payroll	19.89%	25.73%	36.40%	35.41%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL
OPEB LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 3,709,580	\$ 3,069,605	\$ 2,663,261	\$ 2,841,393	\$ 5,165,208	\$ 4,273,830
Interest Cost	2,912,060	3,372,919	3,153,336	2,583,169	2,600,283	2,217,789
Changes in Benefit Terms					(106,691)	
Difference Between Expected and Actual Experience		(7,502,525)	(12,701,460)	18,453,186	(20,378,751)	1,532,951
Changes in Assumptions	(11,886,287)	(9,166,552)	1,072,399	20,977,505	98,893	(22,449,704)
Member Contributions	78,609	73,822	65,447	60,598	66,476	70,474
Gross Benefit Payments	<u>(2,134,806)</u>	<u>(2,135,945)</u>	<u>(2,207,866)</u>	<u>(1,999,287)</u>	<u>(2,048,294)</u>	<u>(2,196,786)</u>
Net Change in Total OPEB Liability	(7,320,844)	(12,288,676)	(7,954,883)	42,916,564	(14,602,876)	(16,551,446)
Total OPEB Liability - Beginning	<u>99,488,845</u>	<u>92,168,001</u>	<u>79,879,325</u>	<u>71,924,442</u>	<u>114,841,006</u>	<u>100,238,130</u>
Total OPEB Liability - Ending	<u>\$ 92,168,001</u>	<u>\$ 79,879,325</u>	<u>\$ 71,924,442</u>	<u>\$ 114,841,006</u>	<u>\$ 100,238,130</u>	<u>\$ 83,686,684</u>
District's Covered Employee Payroll *	\$ 23,709,189	\$ 23,984,659	\$ 23,774,797	\$ 23,317,491	\$ 24,347,274	\$ 24,256,845
Total OPEB Liability as a Percentage of Covered Employee Payroll	389%	333%	303%	493%	412%	345%

* - Covered payroll for the fiscal years ending June 30, 2022 - 2017 is based on the payroll on the June 30, 2021 - 2016 census data, respectively.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 6.55% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 2.00%-6.00% through 2026 and 3.00-7.00% thereafter based on years of service.

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 1.55%-4.45% through 2026 and 2.75%-5.65% thereafter based on years of service.

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. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2022 was 3.54%. The discount rate for June 30, 2021 was 2.16%, a change of 1.38%.

The salary increases for TPAF/ABP thereafter were 1.55% - 4.45% through 2026 and 2.75% - 5.65% for thereafter in the valuation as of June 30, 2021. The salary increases for TPAF/ABP were 2.75% - 4.25% in the valuation as of June 30, 2022.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The salary increases for PERS were 2.00% - 6.00% through 2026 and 3.00% - 7.00% for thereafter in the valuation as of June 30, 2021. The salary increases for PERS were 2.75% - 6.55% in the valuation as of June 30, 2022.

The salary increases for PFRS were 3.25% - 15.25% through 2026 and not applicable for thereafter in the valuation as of June 30, 2021. The salary increases for PFRS were 3.25% - 16.25% in the valuation as of June 30, 2022.

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

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 4.5% 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 rate after eight years.

The health care trend rates in the valuation as of June 30, 2021 were based on the following:

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

BUDGETARY COMPARISON SCHEDULES

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 48,378,298		\$ 48,378,298	\$ 48,378,298	
Tuition - From Individuals	260,820	(209,520)	51,300	143,576	\$ 92,276
Tuition - Other LEA's Within State		207,520	207,520	73,706	(133,814)
Tuition - Other		2,000	2,000	4,000	2,000
Unrestricted Miscellaneous Revenue	417,973		417,973	220,258	(197,715)
Interest on Capital Reserve				20,840	20,840
Other Restricted Miscellaneous Revenue	788,461		788,461	885,661	97,200
Total - Local Sources	49,845,552		49,845,552	49,726,339	(119,213)
State Sources:					
Transportation Aid	1,396,979		1,396,979	1,396,979	
Categorical Special Education Aid	2,078,066		2,078,066	2,078,066	
Equalization Aid	197,944		197,944	197,944	
Categorical Security Aid	213,804		213,804	213,804	
Supplemental Stabilization Aid				47,606	47,606
Extraordinary Special Education Costs Aid				970,220	970,220
Nonpublic Transportation Costs				52,262	52,262
K-12 School COVID-19 Screening Testing Program				5,497	5,497
State Reimbursement for Lead Testing of Drinking Water				2,486	2,486
On-Behalf TPAF Contributions:					
Post-Retirement Medical Benefits (Non-Budgeted)				1,933,191	1,933,191
Pension (Non-Budgeted)				7,258,296	7,258,296
Non-Contributory Insurance (Non-Budgeted)				100,701	100,701
Long-Term Disability Insurance (Non-Budgeted)				2,727	2,727
Reimbursed TPAF Contributions:					
Social Security Aid (Non-Budgeted)				1,318,186	1,318,186
Total State Sources	3,886,793		3,886,793	15,577,965	11,691,172
Federal Sources:					
Medicaid Reimbursement (SEMI)	17,071		17,071	5,583	(11,488)
Total Federal Sources	17,071		17,071	5,583	(11,488)
TOTAL REVENUE	53,749,416		53,749,416	65,309,887	11,560,471

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 14,415,908	\$ (315,825)	\$ 14,100,083	\$ 13,437,016	\$ 663,067
Regular Programs - Home Instruction:					
Salaries of Teachers	128,420		128,420	69,274	59,146
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 series)	286,209	7,714	293,923	242,101	51,822
General Supplies	565,103	(34,616)	530,487	440,724	89,763
Textbooks	399,635	(364,562)	35,073	18,852	16,221
Other Objects	500	364,562	365,062	339,481	25,581
Total Regular Programs - Instruction	15,795,775	(342,727)	15,453,048	14,547,448	905,600
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	2,586,670	(101,249)	2,485,421	2,439,959	45,462
Other Salaries for Instruction	581,245	101,249	682,494	671,679	10,815
General Supplies	5,000		5,000	3,716	1,284
Textbooks	15,000		15,000	11,458	3,542
Total Resource Room/Resource Center	3,187,915		3,187,915	3,126,812	61,103
Total Special Education - Instruction	3,187,915		3,187,915	3,126,812	61,103

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	\$ 528,276	\$ 10,119	\$ 538,395	\$ 535,848	\$ 2,547
Purchased Services (300-500 series)	10,808	(1,500)	9,308	7,403	1,905
Supplies and Materials	49,206	7,230	56,436	51,870	4,566
Other Objects	14,986	362	15,348	11,883	3,465
Total School-Sponsored Cocurricular Activities - Instruction	603,276	16,211	619,487	607,004	12,483
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	1,532,048	46,240	1,578,288	1,554,669	23,619
Purchased Services (300-500 series)	7,925	(118)	7,807	5,427	2,380
Supplies and Materials	171,798	3,469	175,267	168,250	7,017
Other Objects	310,231	1,487	311,718	248,079	63,639
Total School-Sponsored Cocurricular Athletics - Instruction	2,022,002	51,078	2,073,080	1,976,425	96,655
Other Instructional Programs - Instruction:					
Salaries	8,000		8,000		8,000
Purchased Services (300-500 series)	15,062		15,062		15,062
Total Other Instructional Programs - Instruction	23,062		23,062		23,062
Total Instruction Expenditures	21,632,030	(275,438)	21,356,592	20,257,689	1,098,903

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	\$ 511,973		\$ 511,973	\$ 255,113	\$ 256,860
Tuition to County Vocational School District - Regular	604,697	(50,704)	553,993	344,481	209,512
Tuition to County Vocational School District - Special	81,612	60,000	141,612	129,410	12,202
Tuition to Private Schools for the Disabled - Within State	4,185,429	(319,050)	3,866,379	3,306,935	559,444
Tuition to Private Schools for the Disabled and Other LEAs					
Special - Outside the State	193,482		193,482		193,482
Total Undistributed Expenditures - Instruction	5,577,193	(309,754)	5,267,439	4,035,939	1,231,500
Attendance & Social Work Services:					
Salaries	27,143		27,143	21,708	5,435
Supplies and Materials	2,888	(34)	2,854	2,442	412
Total Attendance & Social Work Services	30,031	(34)	29,997	24,150	5,847
Health Services:					
Salaries	547,810	58,700	606,510	573,759	32,751
Purchased Professional and Technical Services	39,000	77	39,077	39,076	1
Supplies and Materials	11,094	(402)	10,692	8,668	2,024
Other Objects	1,106	325	1,431	371	1,060
Total Health Services	599,010	58,700	657,710	621,874	35,836
Speech, OT, PT & Related Services:					
Purchased Professional - Educational Services	135,816		135,816	105,943	29,873
Supplies and Materials	1,000		1,000		1,000
Other Objects	30,000		30,000	14,580	15,420
Total Speech, OT, PT & Related Services	166,816		166,816	120,523	46,293

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE:					
Undistributed Expenditures:					
Guidance:					
Salaries of Other Professional Staff	\$ 1,337,313	\$ (51,914)	\$ 1,285,399	\$ 1,254,751	\$ 30,648
Salaries of Secretarial and Clerical Assistants	166,790	(1,827)	164,963	149,784	15,179
Unused Vacation Payment to Terminated/Retired Staff	17,718	1,910	17,093	16,804	289
Other Purchased Professional and Technical Services	14,700	(625)	14,800	14,720	80
Supplies and Materials	7,006	625	7,631	6,343	1,288
Other Objects	6,272	(100)	6,172	4,675	1,497
Total Guidance	1,549,799	(51,831)	1,497,968	1,448,987	48,981
Child Study Team:					
Salaries of Other Professional Staff	975,580	155,445	1,131,025	1,121,257	9,768
Salaries of Secretarial and Clerical Assistants	165,440	118	165,558	165,010	548
Purchased Professional - Educational Services	697,972	(70,136)	627,836	347,384	280,452
Other Purchased Services (400-500 series)	57,800	(18,262)	39,538	22,646	16,892
Supplies and Materials	24,000		24,000	10,261	13,739
Other Objects	27,750	(6,078)	21,672	3,841	17,831
Total Child Study Team	1,948,542	61,087	2,009,629	1,670,399	339,230

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	\$ 247,829	\$ 4,551	\$ 252,380	\$ 252,380	\$ 28,107
Salaries of Other Professional Staff	55,000	22,920	77,920	49,813	603
Salaries of Secretarial and Clerical Assistants	138,074	(1)	138,073	137,470	
Unused Vacation Payment to Terminated/Retired Staff		3,205	3,205	3,205	
Other Purchased Professional and Technical Services	110,750	(14,755)	95,995	87,728	8,267
Other Purchased Services (400-500 series)	3,750		3,750	3,145	605
Supplies and Materials	164,850	(38,026)	126,824	92,867	33,957
Other Objects	4,250	(3,551)	699	699	
Total Improvement of Instructional Services	724,503	(25,657)	698,846	627,307	71,539
Educational Media Services/School Library:					
Salaries	172,320		172,320	172,320	
Salaries of Technology Coordinators	415,977	6,159	422,136	400,964	21,172
Unused Vacation Payment to Terminated/Retired Staff		5,726	5,726	5,726	
Supplies and Materials	82,326		82,326	76,097	6,229
Other Objects	1,009		1,009	799	210
Total Educational Media Services/School Library	671,632	11,885	683,517	655,906	27,611
Instructional Staff Training Services:					
Salaries of Other Professional Staff	359,336		359,336	252,201	107,135
Purchased Professional - Educational Services	51,500		51,500	51,187	313
Other Purchased Professional and Technical Services	8,750		8,750	3,750	5,000
Other Purchased Services (400-500 series)	67,800		67,800	37,932	29,868
Total Instructional Staff Training Services	487,386		487,386	345,076	142,316

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
General Administration:					
Salaries	\$ 466,922	\$ 63,571	\$ 530,493	\$ 530,233	\$ 260
Unused Vacation Payment to Terminated/Retired Staff		1,535	1,535	1,535	
Legal Services	114,060	48,507	162,567	154,722	7,845
Audit Fees	69,746	35,768	105,514	105,514	
Other Purchased Professional Services	30,500	(8,920)	21,580	21,580	
Communications/Telephone	52,200	(20,339)	31,861	29,938	1,923
BOE Other Purchased Services	4,000	(1,115)	2,885	2,585	300
Miscellaneous Purchased Services (400-500 series)	424,187	8,204	432,391	430,492	1,899
General Supplies	5,700	(3,130)	2,570	1,728	842
Miscellaneous Expenditures	14,156	2,195	16,351	14,434	1,917
BOE Membership Dues and Fees	24,200	(3,760)	20,440	20,440	
Total General Administration	1,205,671	122,516	1,328,187	1,313,201	14,986
School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	1,045,340	(45,182)	1,000,158	1,000,158	
Salaries of Other Professional Staff	363,187	24,325	387,512	368,487	19,025
Salaries of Secretarial and Clerical Assistants	367,625	4,009	371,634	367,472	4,162
Unused Vacation Payment to Terminated/Retired Staff		986	986	986	
Purchased Professional and Technical Services	10,000	(10,000)			
Other Purchased Services (400-500 series)	15,785	(2,591)	13,194	10,670	2,524
Supplies and Materials	2,482		2,482	1,877	605
Other Objects	59,415	(1,055)	58,360	51,474	6,886
Total School Administration	1,863,834	(29,508)	1,834,326	1,801,124	33,202

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Central Services:					
Salaries	\$ 495,595	\$ 62,687	\$ 558,282	\$ 534,351	\$ 23,931
Unused Vacation Payment to Terminated/Retired Staff		1,033	1,033	1,033	
Purchased Professional Services	47,225	(22,013)	25,212	25,212	
Purchased Technical Services	10,000		10,000	9,540	460
Miscellaneous Purchased Services (400-500 series)	9,500	(1,506)	7,994	6,027	1,967
Supplies and Materials	7,550	(525)	7,025	4,833	2,192
Miscellaneous Expenditures	3,250	20,489	23,739	23,739	
Total Central Services	573,120	60,165	633,285	604,735	28,550
Administrative Information Technology:					
Salaries	120,702	231	120,933	116,528	4,405
Purchased Technical Services	50,000	26,170	76,170	66,714	9,456
Other Purchased Services (400-500 series)	278,101	12,845	290,946	282,353	8,593
Supplies and Materials	45,131	7,486	52,617	51,880	737
Other Objects	2,150		2,150	2,150	
Total Administrative Information Technology	496,084	46,732	542,816	519,625	23,191
Required Maintenance for School Facilities:					
Salaries	68,764		68,764	42,524	26,240
Cleaning, Repair and Maintenance Services	377,719	52,155	429,874	403,067	26,807
General Supplies	148,250	(15,600)	132,650	76,522	56,128
Total Required Maintenance for School Facilities	594,733	36,555	631,288	522,113	109,175

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 1,543,243	\$ (108,641)	\$ 1,434,602	\$ 1,232,381	\$ 202,221
Unused Vacation Payment to Terminated/Retired Staff		5,384	5,384	4,384	1,000
Purchased Professional and Technical Services	140,000	5,018	145,018	98,772	46,246
Cleaning, Repair and Maintenance Services	141,869	(48,168)	93,701	82,996	10,705
Rental of Land & Buildings Other than Lease Purchase Agreements	146,345	32,986	179,331	120,522	58,809
Lease Purchase Payments - ESIP	215,000		215,000	215,000	
Other Purchased Property Services	83,097	17,001	100,098	93,100	6,998
Insurance	42,000		42,000	42,000	
Miscellaneous Purchased Services	5,800	(100)	5,700	4,372	1,328
General Supplies	289,000	(76,990)	212,010	168,068	43,942
Energy (Natural Gas)	282,589	16,500	299,089	278,474	20,615
Energy (Electricity)	423,527	29,749	453,276	432,113	21,163
Other Objects	4,000	(400)	3,600	3,188	412
Interest on Lease Purchase Payments - ESIP	96,083	(7,000)	89,083	88,725	358
Total Custodial Services	3,412,553	(134,661)	3,277,892	2,864,095	413,797
Care & Upkeep of Grounds:					
Salaries	206,940	103,256	310,196	309,837	359
Purchased Professional and Technical Services	20,000	(20,000)			
Cleaning, Repair and Maintenance Services	197,470	(7,190)	190,280	151,475	38,805
General Supplies	89,000	(10,000)	79,000	69,505	9,495
Total Care & Upkeep of Grounds	513,410	66,066	579,476	530,817	48,659
Security:					
Salaries	49,725	4,786	54,511	53,743	768
Purchased Professional and Technical Services	265,910	(1)	265,909	238,802	27,107
Cleaning, Repair and Maintenance Services	33,000	756	33,756	19,478	14,278
General Supplies	13,600	(3,600)	10,000		10,000
Other Objects	16,070	(9,576)	6,494	149	6,345
Total Security	378,305	(7,635)	370,670	312,172	58,498

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	\$ 214,386	\$ 14,292	\$ 228,678	\$ 228,678	
Between Home and School - Special	69,075	38,509	107,584	91,240	\$ 16,344
Other than Between Home and School	128,458	170,220	298,678	298,678	
Management Fee - ESC & CTSA Transportation Program	96,099	(36,430)	59,669	59,669	
Other Purchased Professional and Technical Services	13,640	10,650	24,290	24,290	
Cleaning, Repair and Maintenance Services	74,000	(53)	73,947	73,947	
Rental Payments - School Buses	2,000	(1,937)	63	63	
Contracted Services:					
Aid in Lieu of Payments - Nonpublic Students	121,000	(10,306)	110,694	110,694	
Other than Between Home and School - Vendors	372,570	(206,555)	166,015	166,015	
Between Home and School - Joint Agreements	1,460,337	(20,832)	1,439,505	1,439,505	
Special Education Students - Vendors	122,300	(26,475)	95,825	88,066	7,759
Special Education Students - Joint Agreements	12,000	(12,000)			
Regular Students - ESC's & CTSA's	401,148	(63,736)	337,412	325,647	11,765
Special Education Students - ESC's & CTSA's	1,900,000	418,262	2,318,262	2,285,966	32,296
Miscellaneous Purchased Services	16,090	(1,424)	14,666	14,666	
General Supplies	38,857	40,272	79,129	79,129	
Other Objects	3,000	2,362	5,362	5,362	
Total Student Transportation Services	5,044,960	314,819	5,359,779	5,291,615	68,164

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 660,703	\$ 64,845	\$ 725,548	\$ 725,462	\$ 86
Other Retirement Contributions - PERS	681,708	(4,977)	676,731	665,629	11,102
Other Retirement Contributions - Regular		5,446	5,446	5,446	
Unemployment Compensation	25,000	(470)	24,530		24,530
Workmen's Compensation	329,472	(64,846)	264,626	243,646	20,980
Health Benefits	7,150,989		7,150,989	6,303,965	847,024
Tuition Reimbursement	110,149		110,149	49,184	60,965
Other Employee Benefits	199,410	(4,191)	195,219	129,611	65,608
Total Unallocated Benefits	9,157,431	(4,193)	9,153,238	8,122,943	1,030,295
On-Behalf TPAF Contributions:					
Post-Retirement Medical Benefits (Non-Budgeted)				1,933,191	(1,933,191)
Pension (Non-Budgeted)				7,258,296	(7,258,296)
Non-Contributory Insurance (Non-Budgeted)				100,701	(100,701)
Long-Term Disability Insurance (Non-Budgeted)				2,727	(2,727)
Reimbursed TPAF Contributions:					
Social Security Aid (Non-Budgeted)				1,318,186	(1,318,186)
Total On-Behalf and Reimbursed Contributions				10,613,101	(10,613,101)
Total Personal Services - Employee Benefits	9,157,431	(4,193)	9,153,238	18,736,044	(9,582,806)
Total Undistributed Expenditures	34,995,013	215,252	35,210,265	42,045,696	(6,835,431)
TOTAL CURRENT EXPENSE	56,627,043	(60,186)	56,566,857	62,303,385	(5,736,528)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:	\$ 5,600	\$	\$ 5,600	\$ 5,401	\$ 199
Grades 9-12	6,000	(750)	5,250	5,250	
School-Sponsored and Other Instructional Programs					
Undistributed Expenditures:					
Instruction	212,000	(7,584)	204,416	204,416	
Support Services - Students - Related & Extraordinary	3,333	184	3,517	3,516	1
Instructional Staff	12,000	3,495	15,495	15,495	
Required Maintenance for School Facilities	50,000	11,700	61,700	61,640	60
Custodial Services	121,279	(63,477)	57,802	57,431	371
Care and Upkeep of Grounds	74,200	128,119	202,319	59,813	142,506
Student Transportation - Non-Instructional Equipment	118,208	(11,501)	106,707	106,707	
Total Equipment	602,620	60,186	662,806	519,669	143,137
Facilities Acquisition and Construction Services:					
Construction Services	35,000		35,000	18,923	16,077
Lease Purchase Agreements - Principal	720,033		720,033	720,033	
Other Objects - Debt Service Assessment	102,861		102,861	102,861	
Total Facilities Acquisition and Construction Services	857,894		857,894	841,817	16,077
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Undistributed Expenditures:					
Care and Upkeep of Grounds				50,000	(50,000)
School Buses - Regular				380,000	(380,000)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)			430,000		(430,000)
TOTAL CAPITAL OUTLAY	1,460,514	60,186	1,520,700	1,791,486	(270,786)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
TOTAL EXPENDITURES	\$ 58,087,557		\$ 58,087,557	\$ 64,094,871	\$ (6,007,314)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,338,141)		(4,338,141)	1,215,016	5,553,157
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)				430,000	430,000
Transfer from Capital Reserve to Capital Projects Fund	(219,632)		(219,632)	(194,401)	25,231
Transfer from Capital Projects Fund:					
Capital Reserve Unexpended Funds Returned				1,049,815	1,049,815
Interest Earned				48,947	48,947
Total Other Financing Sources/(Uses)	(219,632)		(219,632)	1,334,361	1,553,993
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(4,557,773)		(4,557,773)	2,549,377	7,107,150
Fund Balance, July 1	13,039,183		13,039,183	13,039,183	
Fund Balance, June 30	<u>\$ 8,481,410</u>	<u>\$ - 0 -</u>	<u>\$ 8,481,410</u>	<u>\$ 15,588,560</u>	<u>\$ 7,107,150</u>
Recapitulation:					
Restricted for:				\$ 3,735,938	
Capital Reserve				996	
Maintenance Reserve				4,867,599	
Excess Surplus				3,298,414	
Excess Surplus - For Subsequent Year's Expenditures				208,970	
Unemployment Compensation					
Assigned:					
Year-End Encumbrances				143,575	
For Subsequent Year's Expenditures				1,198,057	
Unassigned				<u>2,135,011</u>	
Total Fund Balance - Budgetary Basis				15,588,560	
Reconciliation to Governmental Fund Statements (GAAP):					
June State Aid payments not recognized on a GAAP basis				<u>(367,304)</u>	
Fund Balance per Governmental Funds on Exhibit B-1				<u>\$ 15,221,256</u>	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources		\$ 184,492	\$ 184,492	\$ 157,372	\$ (27,120)
Federal Sources	\$ 634,177	217,356	851,533	839,509	(12,024)
Local Sources		614,728	614,728	560,578	(54,150)
Total Revenues	634,177	1,016,576	1,650,753	1,557,459	(93,294)
EXPENDITURES:					
Instruction					
Personal Services - Salaries		4,544	4,544	4,544	
Purchased Professional/Technical Services		7,873	7,873		7,873
Other Purchased Services		95,613	95,613	69,369	26,244
Tuition	567,270	141,899	709,169	709,167	2
General Supplies		18,767	18,767	3,744	15,023
Textbooks		22,308	22,308	22,158	150
Total Instruction	567,270	291,004	858,274	808,982	49,292
Support Services					
Personal Services - Salaries		60,827	60,827	60,827	
Purchased Professional/Technical Services		59,265	59,265	58,045	1,220
Other Purchased Services		9,000	9,000	9,000	
Transportation		7,244	7,244	6,926	318
Supplies and Materials	66,907	(54,920)	11,987	5,364	6,623
Other Objects		48,696	48,696	20,658	28,038
Student Activities		409,941	409,941	409,941	
Scholarships Awarded		25,300	25,300	25,300	
Laptop Replacement		64,128	64,128	64,128	
Total Support Services	66,907	629,481	696,388	660,189	36,199

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Equipment:					
Non-Instructional Equipment	\$ 96,091	\$ 96,091	\$ 96,091	\$ 59,911	\$ 36,180
Total Equipment	96,091	96,091	96,091	59,911	36,180
Total Expenditures	\$ 634,177	1,016,576	1,650,753	1,529,082	\$ 121,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 28,377	\$ (28,377)

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 65,309,887	\$ 1,557,459
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		6,755
State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements (Prior Year)	380,409	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	<u>(367,304)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 65,322,992</u>	<u>\$ 1,564,214</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 64,094,871	\$ 1,529,082
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes		<u>6,755</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 64,094,871</u>	<u>\$ 1,535,837</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. Budget amendments/transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the fiscal year).

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 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 except for student activities, scholarships and laptop replacement costs. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the June state aid payments for the current year. Since the State is recording the June state aid payments in the subsequent fiscal year, the District cannot recognize these payments in the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Elementary and Secondary Education Act				ACSERS
	IDEA - Part B, Basic Regular	Title IIA		Title III Immigrant	
		2022-23	2021-22	2021-22	
REVENUE:					
State Sources					
Federal Sources	\$ 494,404	\$ 29,532	\$ 34,170	\$ 4,544	\$ 276,859
Local Sources					
Total Revenue	494,404	29,532	34,170	4,544	276,859
EXPENDITURES:					
Instruction:					
Personal Services - Salaries				4,544	
Other Purchased Services					
Tuition	494,404				214,763
General Supplies					
Textbooks					
Total Instruction	494,404			4,544	214,763
Support Services:					
Personal Services - Salaries		28,107	32,720		
Purchased Professional/Technical Services		1,425	1,450		55,170
Other Purchased Services					
Transportation					6,926
Supplies and Materials					
Other Objects					
Student Activities					
Scholarships Awarded					
Laptop Replacement					
Total Support Services		29,532	34,170		62,096
Equipment:					
Non-Instructional Equipment					
Total Equipment					
Total Expenditures	\$ 494,404	\$ 29,532	\$ 34,170	\$ 4,544	\$ 276,859

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	SDA		NJ Nonpublic		
	Emergent and Capital Maintenance Needs Grant	Climate Change Awareness	Handicapped Services (Chapter 193)		
			Corrective Speech	Supplementary Instruction	Examination & Classification
REVENUE:					
State Sources	\$ 59,911	\$ 5,934	\$ 1,860	\$ 9,416	\$ 6,266
Federal Sources					
Local Sources					
Total Revenue	59,911	5,934	1,860	9,416	6,266
EXPENDITURES:					
Instruction:					
Personal Services - Salaries					
Other Purchased Services			1,860	9,416	6,266
Tuition					
General Supplies		3,744			
Textbooks					
Total Instruction		3,744	1,860	9,416	6,266
Support Services:					
Personal Services - Salaries					
Purchased Professional/Technical Services					
Other Purchased Services					
Transportation					
Supplies and Materials					
Other Objects		2,190			
Student Activities					
Scholarships Awarded					
Laptop Replacement					
Total Support Services		2,190			
Equipment:					
Non-Instructional Equipment	59,911				
Total Equipment	59,911				
Total Expenditures	\$ 59,911	\$ 5,934	\$ 1,860	\$ 9,416	\$ 6,266

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	NJ Nonpublic			Other Local Projects
	Textbooks	Technology Initiative	Nursing	
REVENUE:				
State Sources	\$ 22,158	\$ 13,971	\$ 37,856	
Federal Sources				
Local Sources				\$ 32,832
Total Revenue	<u>22,158</u>	<u>13,971</u>	<u>37,856</u>	<u>32,832</u>
EXPENDITURES:				
Instruction:				
Personal Services - Salaries				
Other Purchased Services		13,971	37,856	
Tuition				
General Supplies				
Textbooks	22,158			
Total Instruction	<u>22,158</u>	<u>13,971</u>	<u>37,856</u>	
Support Services:				
Personal Services - Salaries				
Purchased Professional/Technical Services				
Other Purchased Services				9,000
Transportation				
Supplies and Materials				5,364
Other Objects				18,468
Student Activities				
Scholarships Awarded				
Laptop Replacement				
Total Support Services				<u>32,832</u>
Equipment:				
Non-Instructional Equipment				
Total Equipment				
Total Expenditures	<u>\$ 22,158</u>	<u>\$ 13,971</u>	<u>\$ 37,856</u>	<u>\$ 32,832</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Student Activities	Scholarships	Laptop Replacement	Totals June 30, 2023
REVENUE:				
State Sources				\$ 157,372
Federal Sources				839,509
Local Sources	\$ 451,078	\$ 12,540	\$ 64,128	560,578
Total Revenue	451,078	12,540	64,128	1,557,459
EXPENDITURES:				
Instruction:				
Personal Services - Salaries				4,544
Other Purchased Services				69,369
Tuition				709,167
General Supplies				3,744
Textbooks				22,158
Total Instruction				808,982
Support Services:				
Personal Services - Salaries				60,827
Purchased Professional/Technical Services				58,045
Other Purchased Services				9,000
Transportation				6,926
Supplies and Materials				5,364
Other Objects				20,658
Student Activities	409,941			409,941
Scholarships Awarded		25,300		25,300
Laptop Replacement			64,128	64,128
Total Support Services	409,941	25,300	64,128	660,189
Equipment:				
Non-Instructional Equipment				59,911
Total Equipment				59,911
Total Expenditures	\$ 409,941	\$ 25,300	\$ 64,128	\$ 1,529,082

CAPITAL PROJECTS FUND

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenue and Other Financing Sources:	
Financed Purchase Proceeds	\$ 900,000
Transfer from Capital Reserve	194,401
Interest Revenue	48,947
	<hr/>
Total Revenue and Other Financing Sources	1,143,348
	<hr/>
Expenditures and Other Financing Uses:	
Construction Services	999,956
Cancellation of Financed Purchase Proceeds	118,869
Transfer to General Fund:	
Capital Reserve Unexpended Funds Returned	1,049,815
Interest Earned	48,947
	<hr/>
Total Expenditures and Other Financing Uses	2,217,587
	<hr/>
Excess/(Deficit) of Revenue & Other Financing Sources Over/(Under)	
Expenditures & Other Financing Uses	(1,074,239)
	<hr/>
Fund Balance - Beginning	1,358,484
	<hr/>
Fund Balance - Ending	\$ 284,245
	<hr/> <hr/>
Recapitulation of Fund Balance:	
Committed - Year-End Encumbrances	\$ 25,055
Committed	259,190
	<hr/>
Fund Balance per Governmental Funds (Budgetary Basis and GAAP Basis)	\$ 284,245
	<hr/> <hr/>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - D-WING ROOFING SYSTEM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 477,640	\$ (477,640)	\$ - 0 -	\$ - 0 -
Total Revenue and Other Financing Sources	<u>477,640</u>	<u>(477,640)</u>	<u>- 0 -</u>	<u>- 0 -</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>-0-</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 477,640</u>	<u>\$ (477,640)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 457,640
Transfer	\$ 20,000
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (477,640)
Revised Authorized Cost	\$ -0-
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	06/30/25
Revised Target Completion Date	N/A

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 375,000	\$ (77,013)	\$ 297,987	\$ 297,987
Total Revenue and Other Financing Sources	375,000	(77,013)	297,987	297,987
Expenditures:				
Construction Services	297,987		297,987	297,987
Total Expenditures	297,987	- 0 -	297,987	297,987
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 77,013	\$ (77,013)	\$ - 0 -	\$ - 0 -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 375,000			
Change Orders	\$ - 0 -			
Unexpended Balances Canceled	\$ (77,013)			
Revised Authorized Cost	\$ 297,987			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/15/22			
Revised Target Completion Date	08/15/22			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS - DESIGN FEES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 137,179	\$ (137,179)	\$ - 0 -	\$ - 0 -
Total Revenue and Other Financing Sources	<u>137,179</u>	<u>(137,179)</u>	<u>- 0 -</u>	<u>- 0 -</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>-0-</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 137,179</u>	<u>\$ (137,179)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 157,179
Transfer	\$ (20,000)
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (137,179)
Revised Authorized Cost	\$ -0-
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	06/30/22
Revised Target Completion Date	N/A

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - CULINARY ARTS ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 350,000	\$ (350,000)	\$ - 0 -	\$ - 0 -
Total Revenue and Other Financing Sources	<u>350,000</u>	<u>(350,000)</u>	<u>- 0 -</u>	<u>- 0 -</u>
Total Expenditures	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>-0-</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 350,000</u>	<u>\$ (350,000)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 350,000
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (350,000)
Revised Authorized Cost	\$ -0-
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	06/30/25
Revised Target Completion Date	N/A

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS - DESIGN FEES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 14,401	\$ 14,401	\$ 14,401
Total Revenue and Other Financing Sources	\$ - 0 -	14,401	14,401	14,401
Expenditures:				
Purchased Professional and Technical Services				14,401
Total Expenditures	- 0 -	- 0 -	- 0 -	14,401
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 14,401	\$ 14,401	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 14,401
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 14,401
Change Order Percentage	0.00%
Percentage Completion	0.00%
Original Target Completion Date	06/30/23
Revised Target Completion Date	06/30/23

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 100,000	\$ 100,000	\$ 100,000
Total Revenue and Other Financing Sources	\$ - 0 -	100,000	100,000	100,000
Expenditures:				
Construction Services		64,371	64,371	100,000
Total Expenditures	- 0 -	64,371	64,371	100,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 35,629	\$ 35,629	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 100,000
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 100,000
Change Order Percentage	0.00%
Percentage Completion	64.37%
Original Target Completion Date	08/15/22
Revised Target Completion Date	08/15/22

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - BATHROOM RENOVATIONS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 80,000	\$ 80,000	\$ 80,000
Total Revenue and Other Financing Sources	\$ - 0 -	80,000	80,000	80,000
Expenditures:				
Construction Services		54,273	54,273	80,000
Total Expenditures	- 0 -	54,273	54,273	80,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 25,727	\$ 25,727	\$ - 0 -
Additional Project Information:				
Project Number		N/A		
Grant Date		N/A		
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issued		N/A		
Original Authorized Cost	\$	80,000		
Change Orders	\$	- 0 -		
Revised Authorized Cost	\$	80,000		
Change Order Percentage		0.00%		
Percentage Completion		67.84%		
Original Target Completion Date		08/15/22		
Revised Target Completion Date		08/15/22		

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - ROOFING SYSTEM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 540,000	\$ (7,983)	\$ 532,017	\$ 532,017
Total Revenue and Other Financing Sources	<u>540,000</u>	<u>(7,983)</u>	<u>532,017</u>	<u>532,017</u>
Expenditures:				
Construction Services	<u>532,017</u>	<u></u>	<u>532,017</u>	<u>532,017</u>
Total Expenditures	<u>532,017</u>	<u>- 0 -</u>	<u>532,017</u>	<u>532,017</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 7,983</u>	<u>\$ (7,983)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 540,000			
Change Orders	\$ - 0 -			
Unexpended Balances Canceled	\$ (7,983)			
Revised Authorized Cost	\$ 532,017			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/01/21			
Revised Target Completion Date	12/15/22			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - BLEACHERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds	\$ 949,000		\$ 949,000	\$ 949,000
Total Revenue and Other Financing Sources	<u>949,000</u>	<u>\$ - 0 -</u>	<u>949,000</u>	<u>949,000</u>
Expenditures:				
Construction Services	<u>854,100</u>	<u>94,900</u>	<u>949,000</u>	<u>949,000</u>
Total Expenditures	<u>854,100</u>	<u>94,900</u>	<u>949,000</u>	<u>949,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 94,900</u>	<u>\$ (94,900)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 949,000			
Change Orders	\$ - 0 -			
Revised Authorized Cost	\$ 949,000			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	07/30/21			
Revised Target Completion Date	08/15/21			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - BLEACHERS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds	\$ 949,000		\$ 949,000	\$ 949,000
Total Revenue and Other Financing Sources	949,000	\$ - 0 -	949,000	949,000
Expenditures:				
Construction Services	854,100	94,900	949,000	949,000
Total Expenditures	854,100	94,900	949,000	949,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 94,900	\$ (94,900)	\$ -0-	\$ - 0 -
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 949,000			
Change Orders	\$ - 0 -			
Revised Authorized Cost	\$ 949,000			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/15/21			
Revised Target Completion Date	11/15/21			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - CAFETERIA HVAC
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds	\$ 275,000	\$ (24,409)	\$ 250,591	\$ 250,591
Total Revenue and Other Financing Sources	<u>275,000</u>	<u>(24,409)</u>	<u>250,591</u>	<u>250,591</u>
Expenditures:				
Construction Services	<u>250,591</u>	<u></u>	<u>250,591</u>	<u>250,591</u>
Total Expenditures	<u>250,591</u>	<u>- 0 -</u>	<u>250,591</u>	<u>250,591</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 24,409</u>	<u>\$ (24,409)</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 275,000			
Change Orders	\$ - 0 -			
Unexpended Balances Canceled	\$ (24,409)			
Revised Authorized Cost	\$ 250,591			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	07/30/21			
Revised Target Completion Date	10/21/21			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS MENDHAM HIGH SCHOOL - CAFETERIA HVAC
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds	\$ 325,000	\$ (94,460)	\$ 230,540	\$ 230,540
Total Revenue and Other Financing Sources	325,000	(94,460)	230,540	230,540
Expenditures:				
Construction Services	230,540		230,540	230,540
Total Expenditures	230,540	- 0 -	230,540	230,540
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 94,460	\$ (94,460)	\$ - 0 -	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 325,000
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (94,460)
Revised Authorized Cost	\$ 230,540
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/15/21
Revised Target Completion Date	12/31/21

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WEST MORRIS CENTRAL HIGH SCHOOL - FIELD TURF REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Financed Purchase Proceeds		\$ 900,000	\$ 900,000	\$ 900,000
Total Revenue and Other Financing Sources	\$ - 0 -	900,000	900,000	900,000
Expenditures:				
Construction Services		691,512	691,512	900,000
Total Expenditures	- 0 -	691,512	691,512	900,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 208,488	\$ 208,488	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 900,000
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 900,000
Change Order Percentage	0.00%
Percentage Completion	76.83%
Original Target Completion Date	08/15/22
Revised Target Completion Date	08/30/23

PROPRIETARY FUNDS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 71,217
Inventories	12,083
Interfund Receivable - General Fund	9,725
Other Accounts Receivable	<u>2,221</u>

Total Current Assets	<u>95,246</u>
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Non-Current Assets:

Capital Assets	152,944
Less: Accumulated Depreciation	<u>(146,687)</u>

Total Non-Current Assets	<u>6,257</u>
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Total Assets	<u>101,503</u>
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LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	16,637
Unearned Revenue	<u>29,882</u>

Total Current Liabilities	<u>46,519</u>
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Non-Current Liabilities:

Accrued Compensated Absences Payable	<u>5,000</u>
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Total Non-Current Liabilities	<u>5,000</u>
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Total Liabilities	<u>51,519</u>
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NET POSITION:

Investment in Capital Assets	6,257
Unrestricted	<u>43,727</u>

Total Net Position	<u>\$ 49,984</u>
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WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating Revenue:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 917,137
Special Events	3,144
	<hr/>
Total Operating Revenue	920,281
	<hr/>
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	362,435
Salaries, Benefits & Payroll Taxes	404,828
Supplies, Insurance & Other Costs	133,178
Depreciation Expense	3,297
	<hr/>
Total Operating Expenses	903,738
	<hr/>
Operating Income	16,543
	<hr/>
Non-Operating Revenue:	
Interest Income	388
	<hr/>
Total Non-Operating Revenue	388
	<hr/>
Change in Net Position	16,931
	<hr/>
Net Position - Beginning of Year	33,053
	<hr/>
Net Position - End of Year	\$ 49,984
	<hr/> <hr/>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 918,574
Payments to Food Service Vendor	(860,233)
Payments to Employees	(35,758)
Payments to Suppliers	(4,207)
	<hr/>
Net Cash Provided by Operating Activities	18,376
	<hr/>
Cash Flows from Investing Activities:	
Interest Income	388
	<hr/>
Net Cash Provided by Investing Activities	388
	<hr/>
Net Increase in Cash and Cash Equivalents	18,764
Cash and Cash Equivalents, July 1	52,453
	<hr/>
Cash and Cash Equivalents, June 30	\$ 71,217
	<hr/> <hr/>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 16,543
Adjustment to Reconcile Operating Income to Net Cash Provided by	
Operating Activities:	
Depreciation	3,297
Changes in Assets and Liabilities:	
Decrease in Inventory	870
(Increase) in Other Accounts Receivable	(2,221)
Decrease in Interfund Receivable	2,029
(Decrease) in Accounts Payable	(435)
(Decrease) in Unearned Revenue	(1,707)
	<hr/>
Net Cash Provided by Operating Activities	\$ 18,376
	<hr/> <hr/>

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance June 30, 2022	Matured	Balance June 30, 2023
			Date	Amount				
Refunding School Bonds	02/17/21	\$ 6,375,000	5/1/24	\$ 2,080,000	0.60%	\$ 4,160,000	\$ 2,080,000	\$ 2,080,000
						<u>\$ 4,160,000</u>	<u>\$ 2,080,000</u>	<u>\$ 2,080,000</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

Item	Interest Rate	Original Issue	Balance July 1, 2022	Issued	Retired/ Matured	Balance June 30, 2023
Energy Savings Improvement Program	3.2500%	\$ 3,246,767	\$ 2,291,767		\$ 215,000	\$ 2,076,767
Loader	2.1701%	75,621	20,626		20,626	
Buses and Truck	2.2668%	255,245	104,922		51,873	53,049
Field Lights, HVAC, Vans and Sound System	1.3424%	959,805	388,318		192,865	195,453
Bus	0.6870%	20,000	14,966		4,955	10,011
Bleachers, Vans, Tractor, HVAC and Weight Room	0.8058%	2,763,000	2,204,451		544,496	1,659,955
PA System, Weight Room, Buses and Truck	1.4980%	677,100	677,100		137,016	540,084
Buses, Vans, Utility Vehicles and Field Turf Replacement	3.6890%	1,330,000		\$ 1,330,000		1,330,000
			<u>\$ 5,702,150</u>	<u>\$ 1,330,000</u>	<u>\$ 1,166,831</u>	<u>\$ 5,865,319</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER LEASES

Item	Interest Rate	Original Issue	Balance July 1, 2022	Issued	Retired/ Matured	Balance June 30, 2023
Classroom Technology Equipment	2.1701%	\$ 235,996	\$ 64,372		\$ 64,372	
Classroom Technology Equipment	1.2540%	208,000	104,467		51,908	\$ 52,559
Classroom Technology Equipment	1.3500%	271,062	203,630		66,968	136,662
Classroom Technology Equipment	0.6870%	607,062	454,253		150,381	303,872
Classroom Technology Equipment	1.4980%	727,500	727,500		147,215	580,285
			<u>\$ 1,554,222</u>	<u>\$ - 0 -</u>	<u>\$ 480,844</u>	<u>\$ 1,073,378</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 2,104,960	\$ (2,334)	\$ 2,102,626	\$ 2,102,626	
Total Revenue	2,104,960	(2,334)	2,102,626	2,102,626	
EXPENDITURES:					
Regular Debt Service:					
Interest	24,960		24,960	24,960	
Redemption of Principal	2,080,000		2,080,000	2,080,000	
Total Regular Debt Service	2,104,960		2,104,960	2,104,960	
Total Expenditures	2,104,960		2,104,960	2,104,960	
Excess of Revenue Over Expenditures	- 0 -	(2,334)	(2,334)	(2,334)	
Fund Balance, July 1	2,334		2,334	2,334	
Fund Balance, June 30	\$ 2,334	\$ (2,334)	\$ - 0 -	\$ - 0 -	\$ - 0 -

STATISTICAL SECTION
(UNAUDITED)

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

Contents

	<u>Exhibit</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

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

WEST MORRIS REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,				
	2019	2020	2021	2022	2023
Governmental Activities:					
Net Investment in Capital Assets	\$ 40,490,868	\$ 42,372,781	\$ 42,135,862	\$ 43,164,091	\$ 43,348,925
Restricted	7,109,764	9,082,855	8,756,183	7,878,011	13,000,937
Unrestricted/(Deficit)	<u>(10,714,005)</u>	<u>(11,219,673)</u>	<u>(5,690,299)</u>	<u>(4,394,243)</u>	<u>(6,657,428)</u>
Total Governmental Activities Net Position	<u>\$ 36,886,627</u>	<u>\$ 40,235,963</u>	<u>\$ 45,201,746</u>	<u>\$ 46,647,859</u>	<u>\$ 49,692,434</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 19,648	\$ 16,147	\$ 12,851	\$ 9,554	\$ 6,257
Unrestricted	<u>51,209</u>	<u>60,486</u>	<u>13,910</u>	<u>23,499</u>	<u>43,727</u>
Total Business-Type Activities Net Position	<u>\$ 70,857</u>	<u>\$ 76,633</u>	<u>\$ 26,761</u>	<u>\$ 33,053</u>	<u>\$ 49,984</u>
District-Wide:					
Net Investment in Capital Assets	\$ 40,510,516	\$ 42,388,928	\$ 42,148,713	\$ 43,173,645	\$ 43,355,182
Restricted	7,109,764	9,082,855	8,756,183	7,878,011	13,000,937
Unrestricted/(Deficit)	<u>(10,662,796)</u>	<u>(11,159,187)</u>	<u>(5,676,389)</u>	<u>(4,370,744)</u>	<u>(6,613,701)</u>
Total District-Wide Net Position	<u>\$ 36,957,484</u>	<u>\$ 40,312,596</u>	<u>\$ 45,228,507</u>	<u>\$ 46,680,912</u>	<u>\$ 49,742,418</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,				
	2014	2015	2016	2017	2018
Governmental Activities:					
Net Investment in Capital Assets	\$ 34,368,305	\$ 34,396,725	\$ 35,713,071	\$ 37,775,826	\$ 35,979,627
Restricted	6,439,065	5,244,474	5,489,939	6,792,605	7,803,701
Unrestricted/(Deficit)	(10,448,680)	(8,660,307)	(10,251,581)	(11,507,492)	(8,774,509)
Total Governmental Activities Net Position	<u>\$ 30,358,690</u>	<u>\$ 30,980,892</u>	<u>\$ 30,951,429</u>	<u>\$ 33,060,939</u>	<u>\$ 35,008,819</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 38,034	\$ 32,541	\$ 27,555	\$ 22,962	\$ 21,473
Unrestricted	16,110	21,321	22,067	22,067	19,550
Total Business-Type Activities Net Position	<u>\$ 38,034</u>	<u>\$ 48,651</u>	<u>\$ 48,876</u>	<u>\$ 45,029</u>	<u>\$ 41,023</u>
District-Wide:					
Net Investment in Capital Assets	\$ 34,406,339	\$ 34,429,266	\$ 35,740,626	\$ 37,798,788	\$ 36,001,100
Restricted	6,439,065	5,244,474	5,489,939	6,792,605	7,803,701
Unrestricted/(Deficit)	(10,448,680)	(8,644,197)	(10,230,260)	(11,485,425)	(8,754,959)
Total District-Wide Net Position	<u>\$ 30,396,724</u>	<u>\$ 31,029,543</u>	<u>\$ 31,000,305</u>	<u>\$ 33,105,968</u>	<u>\$ 35,049,842</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

Expenses:	Fiscal Year Ended June 30,				
	2019	2020	2021	2022	2023
Governmental Activities:					
Instruction:					
Regular	\$ 26,692,095	\$ 25,355,368	\$ 25,451,289	\$ 22,634,294	\$ 21,025,590
Special Education	5,021,062	5,056,548	5,799,528	5,018,914	4,735,681
Other Instruction	3,801,939	3,854,268	3,941,655	3,759,915	3,595,517
Support Services:					
Tuition	3,794,789	4,825,985	5,089,566	5,105,929	4,745,106
Student and Instruction Related Service	8,631,567	8,335,870	9,340,145	8,656,469	8,386,974
General Administration Services	1,082,688	1,075,116	1,106,379	1,389,612	1,416,377
School Administration Services	3,059,432	3,010,431	3,065,885	2,691,433	2,622,237
Central Services	604,359	620,695	633,495	661,382	738,817
Administrative Information Technology	519,913	654,804	763,674	2,005,597	1,422,983
Plant Operations and Maintenance	4,336,243	4,120,195	4,403,391	6,434,112	4,691,026
Pupil Transportation	3,918,831	4,364,495	3,925,786	5,037,244	5,495,399
Interest on Long-Term Debt	450,269	383,235	167,387	17,859	5,429
Unallocated Depreciation	2,238,163	2,297,026	2,344,097	2,344,097	2,344,097
Total Governmental Activities Expenses	<u>64,151,350</u>	<u>63,954,036</u>	<u>66,032,277</u>	<u>65,756,857</u>	<u>61,225,233</u>
Business-Type Activities:					
Enterprise Funds	<u>625,422</u>	<u>541,455</u>	<u>96,614</u>	<u>684,619</u>	<u>903,738</u>
Total Business-Type Activities Expense	<u>625,422</u>	<u>541,455</u>	<u>96,614</u>	<u>684,619</u>	<u>903,738</u>
Total District-Wide Expenses	<u>\$ 64,776,772</u>	<u>\$ 64,495,491</u>	<u>\$ 66,128,891</u>	<u>\$ 66,441,476</u>	<u>\$ 62,128,971</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 274,918	\$ 274,918	\$ 313,332	\$ 144,224	\$ 221,282
Student & Instruction Related Services			303,518	588,639	527,746
Operating Grants and Contributions	16,962,186	16,962,186	19,177,249	14,734,494	11,317,999
Capital Grants and Contributions	23,120	23,120		784,314	59,911
Total Governmental Activities	<u>17,260,224</u>	<u>17,260,224</u>	<u>19,794,099</u>	<u>16,251,671</u>	<u>12,126,938</u>
Business-Type Activities:					
Charges for Services:					
Food Service Fund	<u>683,675</u>	<u>683,675</u>	<u>3,177</u>	<u>690,898</u>	<u>920,281</u>
Total Business Type Activities	<u>683,675</u>	<u>683,675</u>	<u>3,177</u>	<u>690,898</u>	<u>920,281</u>
Total District-Wide Program Revenues	<u>\$ 17,943,899</u>	<u>\$ 17,943,899</u>	<u>\$ 19,797,276</u>	<u>\$ 16,942,569</u>	<u>\$ 13,047,219</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2019	2020	2021	2022	2023
Net (Expense)/Revenue:					
Governmental Activities	\$ (46,891,126)	\$ (46,693,812)	\$ (46,238,178)	\$ (49,505,186)	\$ (49,098,295)
Business-Type Activities	58,253	142,220	(93,437)	6,279	16,543
Total District-Wide Net Expense/(Revenue)	<u>\$ (46,832,873)</u>	<u>\$ (46,551,592)</u>	<u>\$ (46,331,615)</u>	<u>\$ (49,498,907)</u>	<u>\$ (49,081,752)</u>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 44,490,948	\$ 45,269,541	\$ 46,061,758	\$ 46,752,684	\$ 48,378,298
Taxes Levied for Debt Service	2,269,475	2,270,250	2,269,175	2,107,380	2,102,626
Federal and State Aid Not Restricted	895,450	856,184	722,731	599,213	486,240
Investment Earnings	207,487	118,170	18,965	15,549	290,045
Miscellaneous Income	876,853	886,857	840,794	1,476,473	885,661
Transfers	28,721	15,265	(43,561)		
Total Governmental Activities	<u>48,768,934</u>	<u>49,416,267</u>	<u>49,869,862</u>	<u>50,951,299</u>	<u>52,142,870</u>
Business-Type Activities:					
Investment Earnings	302	247	4	13	388
Transfers	(28,721)	(15,265)	43,561		
Other Item - FSMC Contribution					
Total Business-Type Activities	<u>(28,419)</u>	<u>(15,018)</u>	<u>43,565</u>	<u>13</u>	<u>388</u>
Total District-Wide Revenues & Other Changes in Net Position	<u>\$ 48,740,515</u>	<u>\$ 49,401,249</u>	<u>\$ 49,913,427</u>	<u>\$ 50,951,312</u>	<u>\$ 52,143,258</u>
Change in Net Position					
Governmental Activities	\$ 1,877,808	\$ 2,722,455	\$ 3,631,684	\$ 1,446,113	\$ 3,044,575
Business-Type Activities	29,834	127,202	(49,872)	6,292	16,931
Total District-Wide Change in Net Position	<u>\$ 1,907,642</u>	<u>\$ 2,849,657</u>	<u>\$ 3,581,812</u>	<u>\$ 1,452,405</u>	<u>\$ 3,061,506</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Expenses:					
Governmental Activities:					
Instruction:					
Regular	\$ 21,969,083	\$ 24,814,290	\$ 26,287,983	\$ 28,124,143	\$ 27,287,001
Special Education	3,809,040	4,306,828	5,086,659	5,023,866	5,208,030
Other Special Instruction					
Other Instruction	3,088,277	3,508,063	3,837,507	3,813,738	4,313,690
Support Services:					
Tuition	2,803,150	3,300,090	3,674,161	4,004,449	3,966,700
Student & Instruction Related Services	6,219,532	7,608,338	8,170,208	9,458,104	9,639,764
General Administration Services	1,112,496	991,618	1,007,236	1,008,933	1,076,809
School Administration Services	2,361,168	2,550,334	3,079,417	3,236,507	3,224,906
Central Services	562,932	566,463	569,971	605,852	606,281
Administrative Information Technology	865,858	835,980	858,061	683,203	596,194
Plant Operations and Maintenance	3,612,729	3,667,203	3,520,619	3,810,907	4,195,645
Pupil Transportation	3,153,997	3,299,484	3,313,190	3,486,250	3,487,483
Interest on Long-Term Debt	783,095	721,298	668,437	590,665	524,744
Unallocated Depreciation	1,932,450	1,946,031	1,960,634	2,067,011	2,119,788
Total Governmental Activities Expenses	<u>52,273,807</u>	<u>58,116,020</u>	<u>62,034,083</u>	<u>65,913,628</u>	<u>66,247,035</u>
Business-Type Activities:					
Enterprise Funds	707,857	640,492	579,674	569,042	587,218
Total Business-Type Activities Expense	<u>707,857</u>	<u>640,492</u>	<u>579,674</u>	<u>569,042</u>	<u>587,218</u>
Total District-Wide Expenses	<u>\$ 52,981,664</u>	<u>\$ 58,756,512</u>	<u>\$ 62,613,757</u>	<u>\$ 66,482,670</u>	<u>\$ 66,834,253</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 42,269	\$ 80,615	\$ 73,169	\$ 120,688	\$ 274,918
Student & Instruction Related Services					
Operating Grants and Contributions	8,391,960	7,939,395	13,529,836	16,008,812	19,998,923
Capital Grants and Contributions	39,222	(795)	155,800		14,411
Total Governmental Activities	<u>8,473,451</u>	<u>8,019,215</u>	<u>13,758,805</u>	<u>16,129,500</u>	<u>20,288,252</u>
Business-Type Activities:					
Charges for Services:					
Food Service Fund	737,156	655,801	616,779	546,202	572,320
Total Business Type Activities	<u>737,156</u>	<u>655,801</u>	<u>616,779</u>	<u>546,202</u>	<u>572,320</u>
Total District-Wide Program Revenues	<u>\$ 9,210,607</u>	<u>\$ 8,675,016</u>	<u>\$ 14,375,584</u>	<u>\$ 16,675,702</u>	<u>\$ 20,860,572</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Net (Expense)/Revenue:					
Governmental Activities	\$ (43,800,356)	\$ (50,096,805)	\$ (48,275,278)	\$ (45,066,593)	\$ (45,958,783)
Business-Type Activities	29,299	15,309	37,105	(37,424)	(14,898)
Total District-Wide Net Expense/(Revenue)	<u>\$ (43,771,057)</u>	<u>\$ (50,081,496)</u>	<u>\$ (48,238,173)</u>	<u>\$ (45,104,017)</u>	<u>\$ (45,973,681)</u>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 40,071,143	\$ 40,804,192	\$ 41,620,275	\$ 42,763,310	\$ 43,618,576
Taxes Levied for Debt Service	2,229,437	2,273,550	2,271,050	2,264,800	2,266,000
Federal and State Aid Not Restricted	1,272,751	1,323,519	1,328,846	1,341,965	1,264,103
Investment Earnings	21,072	21,863	37,385	42,898	86,444
Miscellaneous Income	378,413	556,293	617,564	763,130	674,581
Transfers	(15,265)				(3,041)
Total Governmental Activities	<u>43,957,551</u>	<u>44,979,417</u>	<u>45,875,120</u>	<u>47,176,103</u>	<u>47,906,663</u>
Business-Type Activities:					
Investment Earnings	87	91	180	282	600
Transfers	45,756	34,239			3,041
Other Item - FSMC Contribution			33,517	33,295	7,251
Total Business-Type Activities	<u>45,843</u>	<u>34,330</u>	<u>33,697</u>	<u>33,577</u>	<u>10,892</u>
Total District-Wide Revenues & Other Changes in Net Position	<u>\$ 44,003,394</u>	<u>\$ 45,013,747</u>	<u>\$ 45,908,817</u>	<u>\$ 47,209,680</u>	<u>\$ 47,917,555</u>
Change in Net Position					
Governmental Activities	\$ 157,195	\$ (5,117,388)	\$ (2,400,158)	\$ 2,109,510	\$ 1,947,880
Business-Type Activities	75,142	49,639	70,802	(3,847)	(4,006)
Total District-Wide Change in Net Position	<u>\$ 232,337</u>	<u>\$ (5,067,749)</u>	<u>\$ (2,329,356)</u>	<u>\$ 2,105,663</u>	<u>\$ 1,943,874</u>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted	\$ 6,439,065	\$ 5,244,474	\$ 5,489,939	\$ 6,792,605	\$ 7,803,701	\$ 7,109,764	\$ 8,384,964	\$ 7,978,445	\$ 7,015,034	\$ 12,111,917
Assigned	277,124	440,239	456,931	628,992	829,360	1,222,312	573,378	1,618,339	2,680,760	1,341,632
Unassigned	859,501	943,630	1,033,138	1,005,975	995,068	1,225,686	1,239,327	2,666,619	2,962,980	1,767,707
Total General Fund	\$ 7,575,690	\$ 6,628,343	\$ 6,980,008	\$ 8,427,572	\$ 9,628,129	\$ 9,557,762	\$ 10,197,669	\$ 12,263,403	\$ 12,658,774	\$ 15,221,256
Other Governmental Funds:										
Committed	\$ 425,955	\$ 1,537,387	\$ 1,156,103	\$ 129,433	\$ 2,921,883	\$ 335,407	\$ 136,253	\$ 2,732,593	\$ 1,358,484	\$ 284,245
Restricted							697,891	771,738	862,977	889,020
Total Other Governmental Funds	\$ 425,955	\$ 1,537,387	\$ 1,156,103	\$ 129,433	\$ 2,921,883	\$ 335,407	\$ 834,144	\$ 3,510,331	\$ 2,221,461	\$ 1,173,265
Total Governmental Funds	\$ 8,001,645	\$ 8,165,730	\$ 8,136,111	\$ 8,557,005	\$ 12,550,012	\$ 9,893,169	\$ 11,031,813	\$ 15,773,734	\$ 14,880,235	\$ 16,394,521

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Tax Levy	\$ 42,300,580	\$ 43,077,742	\$ 43,891,325	\$ 45,028,110	\$ 45,884,576	\$ 46,760,423	\$ 47,539,791	\$ 48,330,933	\$ 48,860,064	\$ 50,480,924
Tuition Charges	80,615	73,169	120,688	226,239	263,007	274,918	263,876	313,332	144,224	221,282
Interest Earned on Investments	16,564	17,621	30,688	36,818	75,533	143,494	164,300	169,720	172,686	155,547
Interest Earned on Capital Reserve Funds	1,975	1,617	1,929	2,236	7,017	26,339	6,677	2,973	2,705	20,840
Interest Earned on Maintenance Reserve Funds	2,533	2,625	4,769	3,786	3,823	6,554	5,410	3,694	996	
Miscellaneous - Restricted								341,568	1,878,288	1,446,100
Miscellaneous - Unrestricted	400,923	589,790	648,384	805,990	688,152	947,463	875,587	683,372	47,287	113,658
State Sources	8,633,141	9,472,191	10,175,935	11,246,569	11,298,359	12,023,390	12,177,242	13,645,174	16,414,597	15,751,050
Federal Sources	555,700	565,267	555,798	563,470	424,125	553,662	636,631	1,061,460	1,721,011	849,378
Total Revenue	51,992,031	53,800,022	55,429,516	57,913,218	58,644,592	60,736,243	61,669,514	64,552,226	69,241,858	69,038,779
Expenditures:										
Instruction:										
Regular Instruction	15,811,116	15,490,130	15,697,450	15,100,661	14,867,539	15,346,206	14,979,177	14,762,866	15,228,302	14,547,448
Special Education Instruction	2,731,114	2,645,917	3,016,121	2,718,031	2,829,147	2,904,968	2,950,535	3,222,465	3,203,814	3,229,235
Other Instruction	2,291,024	2,285,678	2,377,362	2,167,330	2,328,808	2,385,308	2,421,648	2,342,312	2,565,474	2,583,429
Support Services:										
Tuition	2,803,150	3,300,090	3,674,161	4,004,449	3,966,700	3,794,789	4,825,985	5,089,566	5,105,929	4,745,106
Student and Instruction Related Services	4,542,457	4,897,689	5,156,775	5,455,988	5,535,316	5,512,822	5,280,412	5,911,125	6,070,971	6,171,626
General Administration Services	1,002,854	889,528	894,256	891,625	971,292	957,863	975,467	973,295	1,284,739	1,313,201
School Administration Services	1,631,257	1,663,484	1,734,588	1,742,234	1,755,462	1,758,902	1,763,419	1,722,072	1,719,033	1,801,124
Central Services	453,434	454,065	459,489	482,611	496,030	490,657	507,939	512,836	550,380	604,735
Administrative Information Technology	679,835	664,752	672,822	522,264	463,824	333,301	391,880	380,593	410,862	519,625
Plant Operations and Maintenance	3,109,468	3,167,809	2,972,604	3,300,249	3,621,086	3,931,266	3,816,875	4,041,405	4,188,186	4,229,197
Pupil Transportation	3,072,734	3,230,246	3,220,094	3,408,620	3,417,677	3,843,521	4,256,053	3,837,259	4,781,419	5,298,541

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenditures:										
Unallocated Benefits	\$ 11,144,672	\$ 11,787,867	\$ 12,476,212	\$ 12,442,539	\$ 12,935,660	\$ 14,011,697	\$ 13,931,559	\$ 15,610,951	\$ 18,342,688	\$ 18,736,044
Debt Service:										
Principal	1,455,000	1,475,000	1,525,000	1,595,000	1,660,000	1,740,000	1,805,000	2,030,000	2,070,000	2,080,000
Interest and Other Charges	862,206	798,550	746,050	669,800	606,000	529,475	465,250	238,000	37,380	24,960
Capital Outlay	435,598	1,101,533	836,151	2,990,923	2,941,938	7,057,753	3,426,523	4,019,753	5,958,232	2,851,353
Total Expenditures	52,025,919	53,852,338	55,459,135	57,492,324	58,396,479	64,598,528	61,797,722	64,694,498	71,517,409	68,735,624
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,888)	(52,316)	(29,619)	420,894	248,113	(3,862,285)	(128,208)	(142,272)	(2,275,551)	303,155
Other Financing Sources (Uses)										
Financed Purchases (Non-Budgeted)		216,401			501,168	727,911	566,862	1,533,095	677,100	1,330,000
Cancellation of Financed Purchase Proceeds									(22,548)	(118,869)
Lease Proceeds					3,246,767	448,810	(149,079)	3,393,500	727,500	
School Refunding Bonds Issued								6,375,000		
School Bonds Defeased								(6,165,000)		
Bond Issuance Costs								(55,688)		
Deferred Bond Interest								(153,153)		
Transfers In	573,161	1,455,477	153,496	445,179	910,071	2,343,143	1,643,508	1,006,390	1,355,052	1,293,163
Transfers Out	(588,426)	(1,455,477)	(153,496)	(445,179)	(913,112)	(2,314,422)	(1,628,243)	(1,049,951)	(1,355,052)	(1,293,163)
Total Other Financing Sources (Uses)	(15,265)	216,401			3,744,894	1,205,442	433,048	4,884,193	1,382,052	1,211,131
Net Change in Fund Balances	\$ (49,153)	\$ 164,085	\$ (29,619)	\$ 420,894	\$ 3,993,007	\$ (2,656,843)	\$ 304,840	\$ 4,741,921	\$ (893,499)	\$ 1,514,286
Debt Service as a Percentage of Noncapital Expenditures	4.49%	4.31%	4.15%	4.15%	4.06%	3.87%	3.82%	3.70%	3.13%	3.16%

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

Fiscal Year Ended June 30,	Tuition	Interest on Investments	Rentals - Use of Facilities	Other	Total
2014	\$ 80,615	\$ 21,069	\$ 35,292	\$ 343,121	\$ 480,097
2015	73,169	21,855	66,602	489,691	651,317
2016	120,688	37,379	105,777	511,787	775,631
2017	226,239	42,840	50,475	712,655	1,032,209
2018	263,007	86,373	82,775	591,806	1,023,961
2019	274,918	176,387	66,965	809,888	1,328,158
2020	263,876	117,213	10,046	876,811	1,267,946
2021	313,332	18,792	1,990	838,804	1,172,918
2022	144,224	15,316		1,476,473	1,636,013
2023	221,282	241,098	8,319	877,342	1,348,041

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN YEARS
UNAUDITED

Chester Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 3,369,700	\$ 207,567,300	\$ 1,160,100	\$ 55,800	\$ 155,137,100	\$ -	\$ 1,795,300	\$ 369,085,300	\$ -	\$ 369,085,300	\$ 40,893,000	\$ 0.40	\$ 402,175,524
2014	3,114,800	214,814,100	1,180,100	55,800	156,563,800	-	1,849,100	377,577,700	-	377,577,700	41,616,200	0.40	387,561,161
2015	3,114,800	219,171,300	1,050,100	56,000	153,604,100	-	1,886,300	378,882,600	-	378,882,600	42,395,400	0.49	420,032,831
2016	3,240,300	227,449,100	1,103,100	56,600	164,299,800	-	-	396,148,900	-	396,148,900	44,611,500	0.48	390,553,627
2017	3,165,300	227,107,400	1,098,300	56,600	168,664,100	-	-	400,091,700	-	400,091,700	44,456,000	0.47	401,322,238
2018	3,880,300	229,846,900	976,500	56,600	166,399,800	-	-	401,160,100	-	401,160,100	44,706,800	0.52	390,482,174
2019	3,346,800	227,975,900	977,000	56,600	164,343,300	-	1,656,800	398,556,400	-	398,556,400	43,860,700	0.53	386,693,610
2020	3,281,000	230,073,900	988,600	54,800	167,602,200	-	1,658,500	403,659,000	9,727	403,668,727	44,737,700	0.55	394,020,984
2021	4,146,500	236,886,400	1,004,700	53,800	160,501,500	-	1,605,000	404,197,900	-	404,197,900	46,031,500	0.56	398,392,411
2022	4,066,300	243,393,300	1,018,900	53,800	178,920,400	-	2,434,500	429,887,200	9,420	429,896,620	48,529,600	0.52	409,127,202

Chester Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 14,619,500	\$ 1,664,309,100	\$ 88,383,100	\$ 1,228,000	\$ 48,990,700	\$ 2,469,700	\$ 835,200	\$ 1,820,835,300	\$ 442,529	\$ 1,821,277,829	\$ 232,195,400	\$ 0.55	\$ 1,917,321,277
2014	13,704,800	1,663,455,100	88,665,800	1,224,900	48,804,500	2,469,700	835,200	1,819,160,000	372,270	1,819,532,270	234,237,700	0.56	1,894,076,792
2015	13,628,900	1,664,376,400	87,702,100	1,241,000	47,568,100	2,543,100	835,200	1,817,894,800	373,557	1,818,268,357	235,597,400	0.55	1,873,066,565
2016	12,701,600	1,669,012,300	87,901,300	1,302,000	47,594,400	2,543,100	835,200	1,821,889,900	351,836	1,822,241,736	236,678,600	0.57	1,900,570,563
2017	12,608,600	1,676,159,700	88,503,500	1,301,700	47,379,800	2,543,100	835,200	1,829,331,600	358,200	1,829,689,800	235,706,700	0.56	1,908,814,522
2018	12,175,700	1,679,019,100	83,877,300	1,298,100	47,009,900	2,543,100	835,200	1,826,758,400	375,919	1,827,134,319	254,511,400	0.56	1,906,637,867
2019	11,492,800	1,677,775,800	85,274,600	1,309,700	47,632,600	2,543,100	835,200	1,826,863,800	400,440	1,827,264,240	254,511,400	0.57	1,917,551,952
2020	11,243,000	1,668,967,500	86,080,500	1,327,700	49,898,800	2,543,100	-	1,820,060,600	409,774	1,820,470,374	257,537,000	0.57	1,876,249,396
2021	10,438,500	1,664,946,400	85,356,400	1,293,700	50,681,800	2,525,300	-	1,815,242,100	442,490	1,815,684,590	258,289,000	0.60	1,844,349,447
2022	9,803,700	1,666,904,100	85,366,100	1,258,500	49,186,400	2,525,300	1,500,000	1,816,544,100	431,464	1,816,975,564	258,694,900	0.63	1,897,117,625

Mendham Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 7,771,700	\$ 1,097,277,400	\$ 66,897,700	\$ 397,100	\$ 105,202,000	\$ -	\$ 2,342,200	\$ 1,279,888,100	\$ 2,287,733	\$ 1,282,175,833	\$ 124,763,600	\$ 0.48	\$ 1,354,282,340
2014	8,207,800	1,100,795,200	66,843,500	400,500	103,997,100	-	2,342,200	1,282,586,300	1,927,735	1,284,514,035	124,763,600	0.52	1,361,837,683
2015	9,745,800	1,097,432,700	69,620,400	403,900	102,337,700	-	2,342,200	1,281,882,700	1,927,735	1,283,810,435	124,865,000	0.53	1,403,066,919
2016	9,704,800	1,096,676,700	69,686,700	403,900	102,337,700	-	2,342,200	1,281,152,000	1,954,098	1,283,106,098	125,425,900	0.55	1,370,993,717
2017	9,704,800	1,096,803,000	69,563,800	403,900	101,655,100	-	2,342,200	1,280,472,800	1,939,588	1,282,412,388	124,867,500	0.57	1,377,174,538
2018	8,769,600	1,098,793,700	69,130,100	351,800	101,575,300	-	2,342,200	1,280,962,700	2,007,273	1,282,969,973	125,379,300	0.58	1,377,413,257
2019	8,306,100	1,095,646,700	65,860,900	348,400	100,209,700	-	2,342,200	1,272,714,000	2,123,156	1,274,837,156	130,379,300	0.58	1,363,844,456
2020	8,110,700	1,095,960,000	63,823,500	348,400	98,555,600	-	2,342,200	1,269,140,300	2,123,156	1,271,263,456	131,042,600	0.61	1,367,265,859
2021	7,036,400	1,088,589,100	63,228,100	548,000	98,368,300	-	2,342,200	1,260,112,100	2,390,052	1,262,502,152	131,044,800	0.61	1,314,880,091
2022	7,606,900	1,089,356,100	65,850,100	366,400	97,853,700	-	2,342,200	1,263,375,400	2,333,706	1,265,709,106	131,226,000	0.63	1,371,561,973

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Mendham Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 26,692,700	\$ 1,743,151,500	\$ 104,058,700	\$ 622,500	\$ 10,162,400	\$ 2,100	\$ -	\$ 1,884,689,900	\$ 1,537,902	\$ 1,886,227,802	\$ 152,592,200	\$ 0.52	\$ 1,951,547,561
2014	23,995,000	1,733,473,800	109,314,900	617,800	10,162,400	2,100	-	1,877,566,000	1,239,350	1,878,805,350	152,605,300	0.52	1,895,672,519
2015	22,888,000	1,729,916,200	111,919,200	624,700	10,162,400	2,100	-	1,875,512,600	1,226,793	1,876,739,393	152,605,300	0.55	1,963,385,307
2016	23,331,400	1,726,534,100	112,663,100	624,700	10,162,400	2,100	-	1,873,317,800	1,240,960	1,874,558,760	152,605,300	0.55	1,942,042,113
2017	21,865,300	1,726,778,500	115,993,000	606,300	10,039,000	2,100	-	1,875,284,200	1,244,391	1,876,528,591	152,589,500	0.55	1,959,468,151
2018	21,643,900	1,719,760,500	122,730,600	520,300	10,123,500	2,100	-	1,874,780,900	1,250,037	1,876,030,937	152,607,500	0.56	1,938,936,548
2019	24,051,500	1,713,009,200	127,004,700	521,800	10,123,500	2,100	-	1,874,712,800	1,326,546	1,876,039,346	151,071,800	0.56	1,918,523,996
2020	22,318,800	1,704,252,900	124,563,700	505,900	14,073,500	2,100	-	1,865,716,900	1,382,402	1,867,099,302	142,890,500	0.57	1,883,588,522
2021	22,803,600	1,697,602,100	122,993,400	506,400	14,073,500	2,100	-	1,857,981,100	1,428,181	1,859,409,281	142,578,700	0.55	1,823,998,116
2022	20,442,000	1,770,239,600	140,221,600	513,700	15,423,700	2,700	9,127,700	1,955,971,000	1,456,656	1,957,427,656	194,547,900	0.50	1,904,237,283

Washington Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 31,560,000	\$ 2,478,920,800	\$ 115,230,000	\$ 4,334,500	\$ 119,232,700	\$ 34,966,400	\$ 35,358,200	\$ 2,819,602,600	\$ 1,383,066	\$ 2,820,985,666	\$ 252,694,900	\$ 0.52	\$ 2,896,200,018
2014	30,285,400	2,473,660,800	115,685,500	4,434,000	119,360,900	32,800,100	35,358,200	2,811,584,900	939,069	2,812,523,969	253,470,500	0.52	2,812,947,929
2015	29,652,600	2,472,018,300	114,769,000	4,412,000	115,548,400	32,800,100	35,358,200	2,804,558,600	935,217	2,805,493,817	254,218,200	0.51	2,793,349,767
2016	31,061,500	2,470,631,400	116,338,400	4,359,800	123,464,900	32,800,100	35,358,200	2,814,014,300	830,887	2,814,845,187	254,082,500	0.53	2,857,587,207
2017	29,395,800	2,478,120,100	116,160,600	4,353,600	122,738,600	32,238,700	35,054,600	2,818,062,000	-	2,818,062,000	254,082,300	0.56	2,896,024,012
2018	26,217,500	2,489,033,400	116,986,400	4,320,600	122,170,100	32,238,700	35,461,400	2,826,428,100	-	2,826,428,100	256,473,800	0.57	2,906,311,191
2019	25,652,900	2,485,591,200	117,377,100	4,350,900	118,219,200	30,938,700	35,461,400	2,817,591,400	-	2,817,591,400	259,513,500	0.59	2,890,035,246
2020	27,731,800	2,486,474,400	118,781,800	4,317,800	119,241,300	30,938,700	35,461,400	2,822,947,200	-	2,822,947,200	259,612,500	0.60	2,890,388,607
2021	24,270,700	2,486,001,600	119,325,300	4,505,300	118,254,600	30,938,700	35,461,400	2,818,757,600	-	2,818,757,600	260,038,400	0.61	2,891,663,641
2022	21,800,700	2,488,721,200	118,113,800	4,354,300	115,792,200	30,938,700	35,461,400	2,815,182,300	-	2,815,182,300	259,873,900	0.64	2,993,591,721

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when 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 of assessed valuation.

Source: Municipal Tax Assessors.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Chester Borough

Year Ended December 31,	West Morris Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Chester			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Borough	Township Schools	Morris County	
2013	\$ 0.38	\$ 0.02	\$ 0.40	\$ 0.90	\$ 0.96	\$ 0.28	\$ 2.54
2014	0.38	0.02	0.40	0.90	0.94	0.26	2.50
2015	0.47	0.02	0.49	0.92	0.98	0.27	2.66
2016	0.45	0.03	0.48	0.84	0.95	0.34	2.61
2017	0.45	0.02	0.47	0.93	0.93	0.26	2.59
2018	0.49	0.03	0.52	0.93	0.93	0.25	2.63
2019	0.50	0.03	0.53	0.95	0.92	0.25	2.65
2020	0.53	0.02	0.55	0.96	0.94	0.25	2.70
2021	0.53	0.03	0.56	0.97	0.94	0.26	2.73
2022	0.50	0.02	0.52	0.91	0.93	0.25	2.61

Chester Township

Year Ended December 31,	West Morris Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Chester			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Township	Township Schools	Morris County	
2013	\$ 0.52	\$ 0.03	\$ 0.55	\$ 0.52	\$ 0.93	\$ 0.27	\$ 2.27
2014	0.53	0.03	0.56	0.52	0.95	0.27	2.30
2015	0.52	0.03	0.55	0.52	0.96	0.26	2.29
2016	0.54	0.03	0.57	0.52	0.96	0.27	2.32
2017	0.53	0.03	0.56	0.52	0.98	0.27	2.33
2018	0.53	0.03	0.56	0.53	0.98	0.27	2.34
2019	0.54	0.03	0.57	0.53	0.99	0.27	2.36
2020	0.54	0.03	0.57	0.53	1.00	0.27	2.37
2021	0.57	0.03	0.60	0.53	1.01	0.27	2.41
2022	0.60	0.03	0.63	0.54	1.03	0.27	2.47

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Mendham Borough

Year Ended December 31,	West Morris Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Mendham			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Mendham Borough	Morris County	Mendham Schools	
2013	\$ 0.45	\$ 0.03	\$ 0.48	\$ 0.43	\$ 0.77	\$ 0.27	\$ 1.95
2014	0.49	0.03	0.52	0.45	0.78	0.27	2.02
2015	0.50	0.03	0.53	0.45	0.81	0.28	2.07
2016	0.52	0.03	0.55	0.46	0.84	0.27	2.12
2017	0.54	0.03	0.57	0.47	0.86	0.28	2.18
2018	0.55	0.03	0.58	0.48	0.88	0.28	2.22
2019	0.55	0.03	0.58	0.47	0.89	0.28	2.22
2020	0.58	0.03	0.61	0.50	0.91	0.28	2.30
2021	0.58	0.03	0.61	0.52	0.94	0.27	2.34
2022	0.60	0.03	0.63	0.52	0.95	0.28	2.38

Mendham Township

Year Ended December 31,	West Morris Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Mendham			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Mendham Township	Morris County	Mendham Schools	
2013	\$ 0.49	\$ 0.03	\$ 0.52	\$ 0.36	\$ 0.80	\$ 0.26	\$ 1.94
2014	0.49	0.03	0.52	0.38	0.82	0.26	1.98
2015	0.52	0.03	0.55	0.39	0.83	0.26	2.03
2016	0.52	0.03	0.55	0.42	0.83	0.27	2.07
2017	0.52	0.03	0.55	0.44	0.81	0.27	2.07
2018	0.53	0.03	0.56	0.44	0.85	0.27	2.12
2019	0.53	0.03	0.56	0.45	0.88	0.27	2.16
2020	0.54	0.03	0.57	0.45	0.92	0.26	2.20
2021	0.52	0.03	0.55	0.45	0.96	0.25	2.21
2022	0.48	0.02	0.50	0.43	0.93	0.25	2.11

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Washington Township

Year Ended December 31,	West Morris Regional High School			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Washington			
	Basic Rate ^a	Obligation Debt ^b	Total Direct	Washington Township	Township Schools	Morris County	
2013	\$ 0.49	\$ 0.03	\$ 0.52	\$ 0.42	\$ 1.13	\$ 0.26	\$ 2.33
2014	0.49	0.03	0.52	0.43	1.15	0.26	2.36
2015	0.48	0.03	0.51	0.44	1.17	0.25	2.37
2016	0.50	0.03	0.53	0.44	1.19	0.26	2.42
2017	0.53	0.03	0.56	0.45	1.22	0.27	2.50
2018	0.54	0.03	0.57	0.46	1.25	0.27	2.55
2019	0.56	0.03	0.59	0.46	1.29	0.27	2.61
2020	0.57	0.03	0.60	0.47	1.31	0.26	2.64
2021	0.58	0.03	0.61	0.48	1.33	0.26	2.68
2022	0.61	0.03	0.64	0.49	1.36	0.27	2.76

Note: NJSA 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 year net budget by more than the spending growth limitation calculation.

^a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

^b Rates for debt service are based on each year's requirements.

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Chester Borough

	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
DPF Chester LLC	\$45,489,900	10.58%	\$ 34,533,100	9.36%
CPP Streets of Chester, LLC	21,895,900	5.09%	26,000,000	7.04%
Savro/Chester Shopping Mall	6,500,000	1.51%	8,900,000	2.41%
Williamson Associates	3,732,000	0.87%	8,296,000	2.25%
2-4 Mill Ridge, LLC	3,602,200	0.84%	4,413,400	1.20%
95 West Main Associates, LLC	3,160,700	0.74%	3,698,500	1.00%
Moon Street LLC	2,589,600	0.60%	3,354,800	0.91%
Group 6 Assoc. (Little Falls Shoprite)	2,562,300	0.60%	2,713,300	0.74%
Chester Franklin Associates	2,031,500	0.47%	2,587,400	0.70%
MGHC Group LLC	1,955,700	0.45%	2,434,100	0.66%
Total	<u>\$93,519,800</u>	<u>21.75%</u>	<u>\$ 96,930,600</u>	<u>26.27%</u>

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Chester Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Chester Township

	2022			2013		
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	
Welkind Rehabilitation Hospital, Inc.	\$ 6,476,600	0.36%	Individual Taxpayer #1	\$ 4,883,200	0.27%	
Individual Taxpayer #1	3,739,400	0.21%	Individual Taxpayer #2	3,767,900	0.21%	
Individual Taxpayer #2	3,140,800	0.17%	Individual Taxpayer #3	3,732,500	0.20%	
Individual Taxpayer #3	3,008,300	0.17%	Individual Taxpayer #4	3,485,100	0.19%	
Individual Taxpayer #4	2,968,600	0.16%	Individual Taxpayer #5	3,008,300	0.17%	
Ingamort Gladstone Realty Holding	2,833,600	0.16%	Individual Taxpayer #6	2,739,200	0.15%	
Individual Taxpayer #5	2,728,200	0.15%	Individual Taxpayer #7	2,732,100	0.15%	
Pottersville Road Holding LLC	2,715,400	0.15%	Individual Taxpayer #8	1,731,000	0.10%	
Individual Taxpayer #6	2,593,400	0.14%	Individual Taxpayer #9	2,621,700	0.14%	
Individual Taxpayer #7	2,536,100	0.14%	Individual Taxpayer #10	2,570,000	0.14%	
Total	<u>\$32,740,400</u>	<u>1.81%</u>	Total	<u>\$ 31,271,000</u>	<u>1.71%</u>	

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Chester Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Mendham Borough

	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
V-Fee Realty	\$22,000,000	1.74%	\$ 22,000,000	1.72%
Individual Taxpayer #1	8,564,900	0.68%	11,082,300	0.86%
Holly Manor	8,558,600	0.68%	8,558,600	0.67%
Roxiticus Golf Club	8,003,500	0.63%	6,430,800	0.50%
Individual Taxpayer #2	5,682,500	0.45%	5,652,500	0.44%
Individual Taxpayer #3	5,652,500	0.45%	5,379,200	0.42%
Individual Taxpayer #4	5,201,700	0.41%	5,224,100	0.41%
Individual Taxpayer #5	5,000,000	0.40%	4,607,900	0.36%
Individual Taxpayer #6	4,779,200	0.38%	4,563,200	0.36%
Individual Taxpayer #7	4,396,300	0.35%	4,397,100	0.34%
Total	<u>\$77,839,200</u>	<u>6.16%</u>	<u>\$ 77,895,700</u>	<u>6.09%</u>

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Mendham Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Mendham Township

	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Shemy, LLC	\$ 8,445,900	0.43%	\$ 8,135,000	0.43%
Woodland Lakes, Inc.	8,148,000	0.42%	5,942,800	0.32%
Mendham Golf & Tennis Club	6,700,300	0.34%	5,770,400	0.31%
Southeast Morris County MUA	4,870,100	0.25%	5,640,700	0.30%
Individual Taxpayer #1	4,099,600	0.21%	5,124,500	0.27%
Individual Taxpayer #2	3,985,300	0.20%	5,083,400	0.27%
Hospitality Resources-Hillandale, LLC	3,950,000	0.20%	4,985,600	0.26%
Desiree Farm, LLC	3,850,000	0.20%	4,640,300	0.25%
Individual Taxpayer #3	3,800,000	0.19%	4,448,800	0.24%
Individual Taxpayer #4	3,704,000	0.19%	4,353,600	0.23%
Total	\$51,553,200	2.62%	\$ 54,125,100	2.88%

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may not be the same individual taxpayers in the two years presented.

Source: Mendham Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Washington Township

	2022			2013		
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	
Heath Village	\$21,864,400	0.78%	Heath Village	\$ 21,761,200	0.77%	
Target Corp	13,650,000	0.48%	Target Corp	15,900,000	0.56%	
Hackettstown 57 MP RK6 LLC	11,694,100	0.42%	2085 Realty Partners	12,519,100	0.44%	
Peachtree Village	10,250,000	0.36%	Peachtree Village	10,250,000	0.36%	
Bay Ridge Motor Sales	7,940,000	0.28%	Bay Ridge Motor Sales	7,940,000	0.28%	
GPT Hackettstown Owner LLC	6,841,200	0.24%	Transistor Devices	7,605,500	0.27%	
Amerace ESNA Corp	6,178,400	0.22%	Kings Hwy Invest Co	7,399,000	0.26%	
Columbia Gas Transmission	5,872,300	0.21%	Amerace ESNA Corp	6,178,400	0.22%	
Long Valley Shopping Center	4,800,000	0.17%	Columbia Gas Transmission	5,872,300	0.21%	
100 Mile Northeast LLC	4,570,800	0.16%	Long Valley Shopping Center	5,500,000	0.19%	
Total	\$93,661,200	3.32%	Total	\$100,925,500	3.56%	

Source: Washington Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 1,381,831	\$ 1,381,831	100.00%	\$ - 0 -
2015	1,602,084	1,602,084	100.00%	- 0 -
2016	2,132,052	2,132,052	100.00%	- 0 -
2017	1,708,775	1,708,775	100.00%	- 0 -
2018	2,011,072	2,011,072	100.00%	- 0 -
2019	2,128,812	2,128,812	100.00%	- 0 -
2020	2,078,486	2,078,486	100.00%	- 0 -
2021	2,341,706	2,341,706	100.00%	- 0 -
2022	2,172,729	2,171,330	99.94%	1,399
2023	2,253,939	2,253,939	100.00%	- 0 -

Chester Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 10,309,802	\$ 10,309,802	100.00%	\$ - 0 -
2015	10,047,830	10,047,830	100.00%	- 0 -
2016	10,079,678	10,079,678	100.00%	- 0 -
2017	10,612,283	10,612,283	100.00%	- 0 -
2018	9,934,236	9,934,236	100.00%	- 0 -
2019	10,572,990	10,572,990	100.00%	- 0 -
2020	10,340,820	10,340,820	100.00%	- 0 -
2021	10,576,288	10,576,288	100.00%	- 0 -
2022	11,341,675	11,334,371	99.94%	7,304
2023	11,643,985	11,643,985	100.00%	- 0 -

Source: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 6,423,969	\$ 6,423,969	100.00%	\$ - 0 -
2015	6,871,925	6,871,925	100.00%	- 0 -
2016	6,864,576	6,864,576	100.00%	- 0 -
2017	7,147,715	7,147,715	100.00%	- 0 -
2018	7,520,243	6,924,505	92.08%	595,738
2019	7,366,776	6,782,674	92.07%	584,102
2020	7,532,942	6,935,175	92.06%	597,767
2021	8,115,979	7,471,402	92.06%	644,577
2022	7,738,952	7,733,968	99.94%	4,984
2023	8,322,375	8,322,375	100.00%	- 0 -

Mendham Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 9,681,323	\$ 9,681,323	100.00%	\$ - 0 -
2015	10,029,619	10,029,619	100.00%	- 0 -
2016	10,414,087	10,414,087	100.00%	- 0 -
2017	10,228,121	9,418,648	92.09%	809,473
2018	10,356,695	10,356,695	100.00%	- 0 -
2019	10,477,898	10,477,898	100.00%	- 0 -
2020	10,719,500	10,719,500	100.00%	- 0 -
2021	10,534,742	9,698,065	92.06%	836,677
2022	9,942,954	9,936,550	99.94%	6,404
2023	9,891,266	9,101,327	92.01%	789,939

Source: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2014	\$ 14,503,655	\$ 14,503,655	100.00%	\$ - 0 -
2015	14,526,284	14,526,284	100.00%	- 0 -
2016	14,400,932	14,400,932	100.00%	- 0 -
2017	15,331,216	15,331,216	100.00%	- 0 -
2018	16,062,330	16,062,330	100.00%	- 0 -
2019	16,213,947	16,213,947	100.00%	- 0 -
2020	16,868,044	16,868,044	100.00%	- 0 -
2021	16,762,218	15,430,950	92.06%	1,331,268
2022	17,663,754	16,243,889	91.96%	1,419,865
2023	18,369,359	16,902,339	92.01%	1,467,020

^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.

Source: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2014	\$ 583,105	\$ - 0 -	\$ - 0 -	\$ 583,105	0.42%	\$ 351.06
2015	608,995	- 0 -	6,371	615,366	0.42%	371.37
2016	721,349	- 0 -	6,305	727,654	0.48%	440.47
2017	503,015	- 0 -	3,318	506,333	0.33%	307.24
2018	508,197	- 0 -	159,026	667,223	0.42%	406.84
2019	448,658	- 0 -	187,977	636,635	0.40%	392.26
2020	351,954	- 0 -	171,314	523,268	0.32%	323.00
2021	301,853	- 0 -	359,904	661,757	0.37%	395.79
2022	184,988	- 0 -	322,679	507,667	0.28%	303.08
2023	92,871	- 0 -	309,808	402,679	0.22%	240.41

Chester Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2014	\$ 4,350,530	\$ - 0 -	\$ - 0 -	\$ 4,350,530	0.66%	\$ 553.36
2015	3,819,449	- 0 -	39,956	3,859,405	0.56%	491.46
2016	3,410,315	- 0 -	29,810	3,440,125	0.48%	439.58
2017	3,123,955	- 0 -	20,606	3,144,561	0.43%	402.99
2018	2,510,374	- 0 -	785,553	3,295,927	0.44%	425.17
2019	2,228,312	- 0 -	933,608	3,161,920	0.42%	412.73
2020	1,751,030	- 0 -	852,315	2,603,345	0.33%	341.69
2021	1,363,315	- 0 -	1,625,503	2,988,818	0.36%	387.71
2022	965,643	- 0 -	1,684,390	2,650,033	0.32%	343.31
2023	479,775	- 0 -	1,600,487	2,080,262	0.25%	269.50

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2014	\$ 2,710,787	\$ - 0 -	\$ - 0 -	\$ 2,710,787	0.65%	\$ 544.44
2015	2,612,202	- 0 -	27,327	2,639,529	0.60%	532.06
2016	2,322,531	- 0 -	20,301	2,342,832	0.52%	473.78
2017	2,104,085	- 0 -	13,879	2,117,964	0.46%	430.13
2018	1,900,360	- 0 -	594,666	2,495,026	0.52%	509.19
2019	1,552,586	- 0 -	650,496	2,203,082	0.46%	454.71
2020	1,275,567	- 0 -	620,883	1,896,450	0.38%	392.15
2021	1,046,174	- 0 -	1,247,370	2,293,544	0.43%	461.20
2022	658,903	- 0 -	1,149,338	1,808,241	0.34%	364.71
2023	342,912	- 0 -	1,143,926	1,486,838	0.28%	299.89

Mendham Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2014	\$ 4,085,325	\$ - 0 -	\$ - 0 -	\$ 4,085,325	0.83%	\$ 698.70
2015	3,812,526	- 0 -	39,884	3,852,410	0.75%	660.34
2016	3,523,457	- 0 -	30,798	3,554,255	0.67%	612.27
2017	3,010,869	- 0 -	19,860	3,030,729	0.56%	524.71
2018	2,617,130	- 0 -	818,959	3,436,089	0.62%	599.67
2019	2,208,271	- 0 -	925,211	3,133,482	0.56%	553.52
2020	1,815,152	- 0 -	883,526	2,698,678	0.47%	479.08
2021	1,357,959	- 0 -	1,619,118	2,977,077	0.46%	495.68
2022	846,554	- 0 -	1,476,662	2,323,216	0.36%	386.30
2023	407,557	- 0 -	1,359,573	1,767,130	0.27%	293.84

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Financed Purchases/ Leases			
2014	\$ 6,120,253	\$ - 0 -	\$ - 0 -	\$ 6,120,253	0.39%	\$ 329.49
2015	5,521,828	- 0 -	57,765	5,579,593	0.34%	300.61
2016	4,872,348	- 0 -	42,589	4,914,937	0.29%	265.36
2017	4,513,076	- 0 -	29,768	4,542,844	0.26%	245.41
2018	4,058,939	- 0 -	1,270,135	5,329,074	0.30%	290.35
2019	3,417,173	- 0 -	1,431,712	4,848,885	0.27%	267.30
2020	2,856,297	- 0 -	1,390,303	4,246,600	0.23%	235.41
2021	2,160,699	- 0 -	2,576,238	4,736,937	0.24%	260.76
2022	1,503,912	- 0 -	2,623,303	4,127,215	0.21%	227.21
2023	756,885	- 0 -	2,524,903	3,281,788	0.17%	180.67

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

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
2014	\$ 583,105	\$ - 0 -	\$ 583,105	0.154%	\$ 351.06
2015	608,995	- 0 -	608,995	0.161%	367.53
2016	721,349	- 0 -	721,349	0.182%	436.65
2017	503,015	- 0 -	503,015	0.126%	305.23
2018	508,197	- 0 -	508,197	0.127%	309.88
2019	448,658	- 0 -	448,658	0.113%	276.44
2020	351,954	- 0 -	351,954	0.087%	217.26
2021	301,853	- 0 -	301,853	0.075%	180.53
2022	184,988	- 0 -	184,988	0.043%	110.44
2023	92,871	- 0 -	92,871	0.022%	55.45

Chester Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
2014	\$ 4,350,530	\$ - 0 -	\$ 4,350,530	0.239%	\$ 553.36
2015	3,819,449	- 0 -	3,819,449	0.210%	486.37
2016	3,410,315	- 0 -	3,410,315	0.187%	435.77
2017	3,123,955	- 0 -	3,123,955	0.171%	400.35
2018	2,510,374	- 0 -	2,510,374	0.137%	323.84
2019	2,228,312	- 0 -	2,228,312	0.122%	290.86
2020	1,751,030	- 0 -	1,751,030	0.096%	229.82
2021	1,363,315	- 0 -	1,363,315	0.075%	176.85
2022	965,643	- 0 -	965,643	0.053%	125.10
2023	479,775	- 0 -	479,775	0.026%	62.16

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
2014	\$ 2,710,787	\$ - 0 -	\$ 2,710,787	0.211%	\$ 544.44
2015	2,612,202	- 0 -	2,612,202	0.203%	526.55
2016	2,322,531	- 0 -	2,322,531	0.181%	469.67
2017	2,104,085	- 0 -	2,104,085	0.164%	427.31
2018	1,900,360	- 0 -	1,900,360	0.148%	387.83
2019	1,552,586	- 0 -	1,552,586	0.122%	320.45
2020	1,275,567	- 0 -	1,275,567	0.100%	263.76
2021	1,046,174	- 0 -	1,046,174	0.083%	210.37
2022	658,903	- 0 -	658,903	0.052%	132.90
2023	342,912	- 0 -	342,912	0.027%	69.16

Mendham Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
2014	\$ 4,085,325	\$ - 0 -	\$ 4,085,325	0.217%	\$ 698.70
2015	3,812,526	- 0 -	3,812,526	0.203%	653.50
2016	3,523,457	- 0 -	3,523,457	0.188%	606.97
2017	3,010,869	- 0 -	3,010,869	0.160%	521.27
2018	2,617,130	- 0 -	2,617,130	0.140%	456.74
2019	2,208,271	- 0 -	2,208,271	0.118%	390.08
2020	1,815,152	- 0 -	1,815,152	0.097%	322.24
2021	1,357,959	- 0 -	1,357,959	0.073%	226.10
2022	846,554	- 0 -	846,554	0.043%	140.76
2023	407,557	- 0 -	407,557	0.021%	67.77

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
2014	\$ 6,120,253	\$ - 0 -	\$ 6,120,253	0.218%	\$ 329.49
2015	5,521,828	- 0 -	5,521,828	0.197%	297.50
2016	4,872,348	- 0 -	4,872,348	0.173%	263.06
2017	4,513,076	- 0 -	4,513,076	0.160%	243.81
2018	4,058,939	- 0 -	4,058,939	0.144%	221.15
2019	3,417,173	- 0 -	3,417,173	0.121%	188.38
2020	2,856,297	- 0 -	2,856,297	0.101%	158.34
2021	2,160,699	- 0 -	2,160,699	0.077%	118.94
2022	1,503,912	- 0 -	1,503,912	0.053%	82.79
2023	756,885	- 0 -	756,885	0.027%	41.67

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

^a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

^b See Exhibit J-14 for population data. This ratio is calculated using population data for the prior calendar year.

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Chester	\$ 3,206,300	100.00%	\$ 3,206,300
Township of Chester	14,221,905	100.00%	14,221,905
Borough of Mendham	889,237	100.00%	889,237
Township of Mendham	13,960,999	100.00%	13,960,999
Township of Washington	9,801,500	100.00%	9,801,500
County of Morris General Obligation Debt (all constituent municipalities)	253,387,954	8.49%	<u>21,511,862</u>
Subtotal, Overlapping Debt			63,591,803
West Morris Regional School District Direct Debt			<u>4,160,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 67,751,803</u></u>

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 units that is borne by the residents and businesses of the municipalities comprising the West Morris Regional High School District. This process recognizes that when considering the District's ability to issue and repay long-term, 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 unit.

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

Source: Assessed value data used to estimate applicable percentages provided by the Morris County Board of Taxation; Debt outstanding data provided by each governmental unit.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 257,201,826	\$ 253,650,778	\$ 253,032,514	\$ 254,342,414	\$ 254,406,183
Total Net Debt Applicable to Limit	17,850,000	16,375,000	14,850,000	13,255,000	11,595,000
Legal Debt Margin	<u>\$ 239,351,826</u>	<u>\$ 237,275,778</u>	<u>\$ 238,182,514</u>	<u>\$ 241,087,414</u>	<u>\$ 242,811,183</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.94%	6.46%	5.87%	5.21%	4.56%

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 254,843,729	\$ 253,898,898	\$ 251,755,855	\$ 252,497,211	\$ 260,436,455
Total Net Debt Applicable to Limit	9,855,000	8,050,000	6,230,000	4,160,000	2,080,000
Legal Debt Margin	<u>\$ 244,988,729</u>	<u>\$ 245,848,898</u>	<u>\$ 245,525,855</u>	<u>\$ 248,337,211</u>	<u>\$ 258,356,455</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.87%	3.17%	2.47%	1.65%	0.80%

Legal Debt Margin Calculation for Fiscal Year 2023

Year Ended December 31,	Chester Borough	Chester Township	Mendham Borough	Mendham Township	Washington Township	Equalized Valuation Basis
2020	\$ 397,106,739	\$1,846,652,394	\$1,319,684,205	\$1,829,492,940	\$2,891,771,358	\$ 8,284,707,636
2021	407,006,243	1,893,243,742	1,363,610,107	1,896,479,637	2,993,264,946	8,553,604,675
2022	436,300,822	2,015,694,740	1,420,959,847	2,084,590,216	3,247,787,610	9,205,333,235
	<u>\$ 1,240,413,804</u>	<u>\$5,755,590,876</u>	<u>\$4,104,254,159</u>	<u>\$5,810,562,793</u>	<u>\$9,132,823,914</u>	<u>\$26,043,645,546</u>
	Average Equalized Valuation of Taxable Property					<u>\$ 8,681,215,182</u>
	Debt Limit ^a (3% of Average Equalization Value)					\$ 260,436,455
	Net Bonded School Debt					<u>2,080,000</u>
	Legal Debt Margin					<u>\$ 258,356,455</u>

a - Limit set by NJSA 18A:24-19 for a regional high school district; other % limits would be applicable for other districts.

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Chester Borough

Year	Borough Population ^a	Morris County Per Capita Personal Income ^b	Borough Personal Income ^c	Borough Unemployment Rate ^d
2013	1,662	\$ 81,026	\$ 134,665,212	6.50%
2014	1,661	84,287	140,000,707	3.80%
2015	1,657	88,298	146,309,786	3.70%
2016	1,652	91,252	150,748,304	3.30%
2017	1,648	93,544	154,160,512	3.40%
2018	1,640	97,244	159,480,160	2.30%
2019	1,623	99,140	160,904,220	2.00%
2020	1,620	102,227	165,607,740	5.60%
2021	1,672	107,767	180,186,424	3.90%
2022	1,675	107,767 *	180,509,725	2.60%

Chester Township

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2013	7,887	\$ 81,026	\$ 639,052,062	5.80%
2014	7,862	84,287	662,664,394	4.40%
2015	7,853	88,298	693,404,194	3.70%
2016	7,826	91,252	714,138,152	3.40%
2017	7,803	93,544	729,923,832	3.20%
2018	7,752	97,244	753,835,488	3.00%
2019	7,661	99,140	759,511,540	2.50%
2020	7,619	102,227	778,867,513	5.90%
2021	7,709	107,767	830,775,803	4.50%
2022	7,719	107,767 *	831,853,473	2.90%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Mendham Borough

Year	Borough Population ^a	Morris County Per Capita Personal Income ^b	Borough Personal Income ^c	Borough Unemployment Rate ^d
2013	5,001	\$ 81,026	\$ 405,211,026	6.70%
2014	4,979	84,287	419,664,973	4.70%
2015	4,961	88,298	438,046,378	3.70%
2016	4,945	91,252	451,241,140	3.80%
2017	4,924	93,544	460,610,656	3.60%
2018	4,900	97,244	476,495,600	3.50%
2019	4,845	99,140	480,333,300	3.00%
2020	4,836	102,227	494,369,772	6.20%
2021	4,973	107,767	535,925,291	4.80%
2022	4,958	107,767 *	534,308,786	3.00%

Mendham Township

Year	Township Population ^a	Morris County Per Capita Personal Income ^b	Township Personal Income ^c	Township Unemployment Rate ^d
2013	5,871	\$ 81,026	\$ 475,703,646	2.00%
2014	5,847	84,287	492,826,089	4.00%
2015	5,834	88,298	515,130,532	3.30%
2016	5,805	91,252	529,717,860	3.20%
2017	5,776	93,544	540,310,144	3.10%
2018	5,730	97,244	557,208,120	2.70%
2019	5,661	99,140	561,231,540	2.40%
2020	5,633	102,227	575,844,691	5.30%
2021	6,006	107,767	647,248,602	3.90%
2022	6,014	107,767 *	648,110,738	2.70%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Washington Township

<u>Year</u>	<u>Township Population ^a</u>	<u>Morris County Per Capita Personal Income ^b</u>	<u>Township Personal Income ^c</u>	<u>Township Unemployment Rate ^d</u>
2013	18,634	\$ 81,026	\$ 1,509,838,484	5.00%
2014	18,575	84,287	1,565,631,025	4.60%
2015	18,561	88,298	1,638,899,178	4.30%
2016	18,522	91,252	1,690,169,544	3.50%
2017	18,511	93,544	1,731,592,984	3.40%
2018	18,354	97,244	1,784,816,376	3.20%
2019	18,140	99,140	1,798,399,600	2.70%
2020	18,039	102,227	1,844,072,853	6.60%
2021	18,166	107,767	1,957,695,322	4.80%
2022	18,165	107,767 *	1,957,587,555	3.10%

* - Latest Morris County per capita personal income available (2021) was used for calculation purposes.

Sources:

- a Population information provided by the NJ Department of Labor and Workforce Development.
- b Per capita personal income by municipality estimated based upon the 2020 Census published by the US Bureau of Economic Analysis.
- c Personal income has been estimated based upon the municipal population and per capita personal income presented.
- d Unemployment data provided by the NJ Department of Labor and Workforce Development.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - MORRIS COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2022		2013		
	Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Atlantic Health System		10,552	3.93%	5,841	2.27%
Novartis		6,500	2.42%	5,035	1.96%
Picatinny Arsenal		6,000	2.23%	4,463	1.74%
Barclays		3,374	1.26%	2,060	0.80%
ADP		2,400	0.89%	1,900	0.74%
Accenture		2,344	0.87%	1,674	0.65%
PricewaterhouseCoopers		2,095	0.78%	1,653	0.64%
Cigna		1,686	0.63%	1,642	0.64%
Deloitte & Touche		1,646	0.61%	1,500	0.58%
Saint Clare's Health		1,473	0.55%	1,480	0.58%
		<u>38,070</u>	<u>14.17%</u>	<u>27,248</u>	<u>10.60%</u>
Total Employment *		<u>268,713</u>		<u>257,024</u>	

* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: Morris County Treasurer's Office.

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	177.20	179.60	174.40	169.40	169.80	168.60	167.00	161.40	149.00	145.00
Special Education	40.40	39.40	41.20	37.80	36.40	38.90	35.80	37.80	40.80	38.40
Support Services:										
Student & Instruction-Related Services	49.00	48.00	46.00	51.00	52.00	51.88	55.00	54.00	52.50	52.00
General Administration	8.00	8.00	8.00	7.00	7.20	5.90	5.90	6.20	6.20	6.20
School Administration	20.50	20.50	21.30	21.60	19.60	19.30	20.80	18.50	17.50	18.50
Central Services	4.00	5.80	5.60	5.80	5.60	5.20	5.20	5.20	5.40	5.40
Administrative Information Technology	5.60	5.00	5.00	7.00	7.00	8.00	7.00	7.00	7.00	7.00
Plant Operations/Maintenance	30.00	30.00	30.10	30.00	31.00	30.00	30.00	30.00	31.50	28.50
Student Transportation	2.80	2.80	2.80	2.80	2.80	2.90	2.80	2.90	4.20	6.30
Total	337.50	339.10	334.40	332.40	331.40	330.68	329.50	323.00	314.10	307.30

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Enrollment	Operating Expenditures ^a	Costs per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Senior High School	School				
2014	2,735	\$ 49,273,115	\$ 18,016	2.97%	240	11.4:1	2,741	2,599	-1.20%	94.82%	
2015	2,722	50,477,255	18,544	2.93%	240	11.3:1	2,659	2,524	-2.98%	94.92%	
2016	2,663	52,351,934	19,659	6.01%	236	11.3:1	2,598	2,477	-2.29%	95.34%	
2017	2,635	52,236,601	19,824	0.84%	231	11.4:1	2,574	2,438	-0.92%	94.72%	
2018	2,524	53,188,541	21,073	6.30%	228	11.1:1	2,462	2,353	-4.35%	95.57%	
2019	2,495	55,271,300	22,153	5.12%	226	11.0:1	2,428	2,310	-1.38%	95.14%	
2020	2,431	56,100,949	23,077	4.17%	225	10.8:1	2,364	2,247	-2.64%	95.05%	
2021	2,241	58,406,745	26,063	12.94%	217	10.3:1	2,217	2,136	-6.22%	96.35%	
2022	2,239	63,451,797	28,339	22.80%	208	10:8:1	2,178	2,067	-1.76%	94.90%	
2023	2,114	63,779,311	30,170	6.46%	207	10:8:1	2,059	1,956	-5.46%	95.00%	

Note: Enrollment based on annual October District count (ASSA full-time students on roll).

- ^a Operating expenditures equal total expenditures less debt service and capital outlay.
- ^b Teaching staff includes only full-time equivalents of certificated staff.
- ^c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- ^d Costs per pupil is calculated based upon the operating costs and enrollment presented which may differ from other per pupil cost calculations.

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

District Buildings	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
West Morris Central High School (1958, 2008)	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605
Square Feet	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605
Capacity (Students)	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455
Enrollment	1,318	1,315	1,304	1,318	1,260	1,251	1,193	1,099	1,114	1,017
West Morris Mendham High School (1970, 2008)	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553
Square Feet	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553
Capacity (Students)	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308
Enrollment	1,417	1,407	1,359	1,317	1,264	1,244	1,238	1,142	1,125	1,097
Administration Building (1975)	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840
Square Feet	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840
West Morris Central Field House (1990)	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Mendham Field House (1990)	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Central Maintenance Garage #1 (2000)	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080
Square Feet	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080
West Morris Central Maintenance Garage #2 (2001)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
West Morris Central Storage Building (1985)	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
Square Feet	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
West Morris Mendham Maintenance Garage (1970)	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960
Square Feet	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960
West Morris Mendham Storage Building (1980)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Number of Schools at June 30, 2023:
 High Schools = 2

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.

Source: West Morris Regional High School District Business Office.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities*

Account # 11-000-261-xxx

Fiscal Year Ended June 30	Central High School	Mendham High School	Total School Facilities*
2014	\$ 107,405	\$ 134,770	\$ 242,175
2015	138,782	136,786	275,568
2016	104,388	115,870	220,258
2017	122,955	128,078	251,033
2018	147,438	161,108	308,546
2019	162,994	126,134	289,128
2020	120,920	130,756	251,676
2021	199,506	196,074	395,580
2022	276,474	200,093	476,567
2023	260,363	261,750	522,113

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTINSURANCE SCHEDULEJUNE 30, 2023UNAUDITED

Type of Policy	Insurance Company	Policy Limits	Deductible
PROPERTY:	American Alternative Ins. Co.		
Property - Blanket and Contents			
School Limit Per Statement of Values		\$ 151,309,053	\$ 5,000
Flood:			
Zones C + Unshaded X		50,000,000	50,000
Per Event		10,000,000	
Earthquake		5,000,000	100,000
Business Income and Extra Expense		5,000,000	(72 Hours)
Contractors Equipment (\$10,000 Per Item Limit)		250,000	1,000
Musical Instruments, Athletic Equipment, Band Uniforms and Theatrical Equipment		250,000	1,000
Valuable Papers		5,000,000	1,000
Electronic Data Processing Equipment		2,500,000	5,000
Accounts Receivable		100,000	1,000
BOILER & MACHINERY:	American Alternative Ins. Co.		
Property Damage (Blanket)		151,309,053	5,000
GENERAL LIABILITY:	American Alternative Ins. Co.		
General Aggregate		2,000,000	
Each Occurrence		1,000,000	
COMMERCIAL AUTOMOBILE LIABILITY:	American Alternative Ins. Co.		
Liability		1,000,000	
Comprehensive			1,000
Collision			1,000
COMMERCIAL UMBRELLA	American Alternative Ins. Co.	10,000,000	10,000
EXCESS COMMERCIAL UMBRELLA	Fireman's Fund		
(Note: Shared Limits)			
Per Occurrence		25,000	
Aggregate		25,000	
EXCESS COMMERCIAL LIABILITY			
(Note: Shared Limits)	Fireman's Fund		
Per Occurrence		25,000,000	
Aggregate		25,000,000	
(Note: Unshared Limits)	Allied/Hudson/Evanston		
Aggregate		30,000,000	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTINSURANCE SCHEDULEJUNE 30, 2023UNAUDITED

<u>Type of Policy</u>	<u>Insurance Company</u>	<u>Policy Limits</u>	<u>Deductible</u>
CYBER & TECHNOLOGY LIABILITY	CFC - Lloyd's		
07/01/2022-01/01/2023	6-Month Policy	\$ 1,000,000	\$ 15,000
01/01/2023-07/01/2024	18-Month Policy	1,000,000	15,000
WORKERS' COMPENSATION:	Morris Essex Insurance Group		
Limit of Indemnity Per Occurrence:	Self-Insured up to \$500,000		
(1) Part-One Workers' Compensation	Star Insurance Group		500,000
(2) Part-Two - Employer's Liability		5,000,000	500,000
CRIME:	American Alternative Ins. Co.		
Employee Theft		500,000	5,000
Forgery and Alterations		250,000	5,000
SCHOOL BOARD LEGAL AND EMPLOYMENT PRACTICES LIABILITY:	XL Catlin		
Aggregate		1,000,000	10,000
School Board Legal Liability			20,000
INDIVIDUAL SURETY BONDS:			
Business Administrator/Board Secretary	Selective Insurance Company	500,000	
Treasurer	Selective Insurance Company	300,000	

Source: West Morris Regional High School District records.

SINGLE AUDIT SECTION

Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

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

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

Report on Compliance and Other Matters

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

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 10, 2023
Mount Arlington, New Jersey

Nisivoccia, LLP

NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell

Licensed Public School Accountant #884

Certified Public Accountant



Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
County of Morris, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the West Morris Regional High School District's (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2023. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. 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 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 District's compliance with the compliance requirements referred to above.

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

Responsibilities of Management for Compliance

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

Auditors' 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 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

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

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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

The Honorable President and Members
of the Board of Education
West Morris Regional High School District
Page 2

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

November 10, 2023
Mount Arlington, New Jersey

Nisivoccia, LLP

NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	June 30, 2022		Cash Received	Budgetary Expenditures	Prior Year Encum- brances Canceled	Repayment of Balances	June 30, 2023		Amount Provided to Sub- recipients
			From	To		Unearned/ Revenue/ (Accounts Receivable)	Due to Grantor					Unearned Revenue	Due to Grantor	
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:														
Medicaid Cluster:														
Medical Assistance Program (SEMI)	93.778	N/A	7/1/22	6/30/23	\$ 5,583		\$ 5,583	\$ (5,583)						
Total Total U.S. Department of Health and Human Services/Medicaid Cluster - General Fund														
U.S. Department of Treasury:														
Passed-through State Department of Education:														
Special Revenue Fund:														
American Rescue Plan - Coronavirus State and Local Fiscal Recovery Funds:														
COVID-19 ACSERS	21.027	N/A	7/1/22	6/30/23	276,859			(276,859)					\$ (276,859)	
COVID-19 ACSERS	21.027	N/A	7/1/21	6/30/22	504,276		377,142							
Total US Department of Treasury														
U.S. Department of Education:														
Passed-through State Department of Education:														
Special Revenue Fund:														
Education Stabilization Fund:														
COVID-19 - ARP:														
Non-Title I	84.425U	N/A	3/13/20	9/30/24	559,261		559,261							
Total Education Stabilization Fund														
Elementary and Secondary Education Act:														
Title II - Parts A and D	84.367	ESEA-5660-23	7/1/22	9/30/23	29,907		29,532	(29,532)						
Title II - Parts A and D	84.367	ESEA-5660-22	7/1/21	9/30/22	34,170		34,170	(34,170)						
Title II - Parts A and D	84.367	ESEA-5660-21	7/1/20	9/30/21	29,878						\$ (467)			
Subtotal Title II - Parts A and D														
Title III - Immigrant		ESEA-5660-22	7/1/21	9/30/22	4,544		4,544	(4,544)						
Total Elementary and Secondary Education Act														
Special Education Cluster:														
I.D.E.A. - Part B, Basic	84.027	IDEA-5660-22	7/1/22	9/30/23	506,053		453,417	(494,404)					(40,987)	
I.D.E.A. - Part B, Basic	84.027	IDEA-5660-22	7/1/21	9/30/22	485,975		(4,099)			\$ 1,215				
COVID-19 - ARP:														
I.D.E.A. - Part B, Basic	84.027X	IDEA-5660-22	7/1/21	9/30/22	109,106		87,231							
Total Special Education Cluster														
Total US Department of Education														
N/A - Not Available/Applicable.														

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period From To	Program or Award Amount	June 30, 2022		Due to Grantor	Cash Received	Budgetary Expenditures	Prior Year Encum- brances Canceled	Repayment of Balances	June 30, 2023		Amount Provided to Sub- recipients
					Unearned/ Revenue/ (Accounts Receivable)	Revenue/ (Accounts Receivable)						Unearned Revenue	Due to Grantor	
Total Special Revenue Fund					\$ (1,020,750)	\$ 467	\$ 1,541,198	\$ (839,509)	\$ (467)		\$ (317,846)	\$ (317,846)	\$ -0-	\$ -0-
TOTAL FEDERAL AWARDS					\$ (1,020,750)	\$ 467	\$ 1,546,781	\$ (845,092)	\$ (467)	\$ 1,215	\$ (317,846)	\$ (317,846)	\$ -0-	\$ -0-

N/A - Not Available/Applicable.

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program/Award Amount	June 30, 2022		Refund of Prior Year Expenditures	Repayment of Balances	June 30, 2023		MEMO	
		From	To		Budgetary Unearned Revenue/(Accounts Receivable)	Due to Grantor			GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
State Department of Education:												
General Fund:												
Transportation Aid	23-495-034-5120-014	7/1/22	6/30/23	\$ 1,396,979	\$ 1,264,964	\$ (1,396,979)				\$ (132,015)	\$ 1,396,979	
Transportation Aid	22-495-034-5120-014	7/1/21	6/30/22	1,396,979	131,929	(131,929)						
Special Education	23-495-034-5120-089	7/1/22	6/30/23	2,078,066	1,881,688	(2,078,066)				(196,378)	2,078,066	
Special Education	22-495-034-5120-089	7/1/21	6/30/22	2,078,066	196,249	(2,078,066)						
Security Aid	23-495-034-5120-084	7/1/22	6/30/23	213,804	193,599	(213,804)				(20,205)	213,804	
Security Aid	22-495-034-5120-084	7/1/21	6/30/22	213,804	20,191	(213,804)						
Equalization Aid	23-495-034-5120-078	7/1/22	6/30/23	197,944	179,238	(197,944)				(18,706)	197,944	
Equalization Aid	22-495-034-5120-078	7/1/21	6/30/22	197,944	29,600	(197,944)						
Adjustment Aid	23-495-034-5120-085	7/1/22	6/30/23	25,837	2,440	(25,837)						
Adjustment Aid	22-495-034-5120-128	7/1/22	6/30/23	47,606	47,606	(47,606)						
Supplemental Stabilization Aid	23-495-034-5120-044	7/1/22	6/30/23	970,220		(970,220)			\$ (970,220)		970,220	
Extraordinary Special Education Costs	22-495-034-5120-044	7/1/21	6/30/22	1,154,833	1,154,833	(1,154,833)				(52,262)	52,262	
Nonpublic School Transportation Costs	22-495-034-5120-014	7/1/22	6/30/23	52,262		(52,262)						
Nonpublic School Transportation Costs	22-495-034-5120-014	7/1/21	6/30/22	50,704		(50,704)						
On-Behalf TPAF Contributions:												
Post-Retirement Medical	23-495-034-5094-001	7/1/22	6/30/23	1,933,191	1,933,191	(1,933,191)					1,933,191	
Pension	23-495-034-5094-002	7/1/22	6/30/23	7,258,296	7,258,296	(7,258,296)					7,258,296	
Non-Contributory Insurance	23-495-034-5094-004	7/1/22	6/30/23	100,701	100,701	(100,701)					100,701	
Long-Term Disability Insurance	23-495-034-5094-004	7/1/22	6/30/23	2,727	2,727	(2,727)					2,727	
Reimbursed TPAF Contributions:												
Social Security Aid	23-495-034-5094-003	7/1/22	6/30/23	1,318,186	1,311,186	(1,318,186)			(7,000)	(7,000)	1,318,186	
Social Security Aid	22-495-034-5094-003	7/1/21	6/30/22	1,354,724	6,948	(6,948)						
State Reimbursement for Lead Testing of Drinking Water	22-495-034-5120-104	7/1/21	6/30/22	2,486	2,486	(2,486)					2,486	
K-12 School COVID-19 Screening Testing Program	N/A	7/1/21	6/30/22	30,133	5,497	(5,497)					5,497	
Total General Fund State Aid					15,774,073	(15,577,965)			(1,029,482)	(1,029,482)	15,577,965	
Special Revenue Fund:												
NJ Nonpublic Aid:												
Textbook Aid (Chapter 194)	23-100-034-5120-064	7/1/22	6/30/23	22,308	22,308	(22,158)				\$ 150	22,158	
Nursing Services (Chapter 226)	23-100-034-5120-070	7/1/22	6/30/23	37,856	37,856	(37,856)					37,856	
Auxiliary Services (Chapter 192):												
Home Instruction	22-100-034-5120-066	7/1/21	6/30/22	3,809	3,809	(3,809)						
Handicapped Services (Chapter 193):												
Examination & Classification	23-100-034-5120-066	7/1/22	6/30/23	19,357	19,357	(6,266)					6,266	
Examination & Classification	22-100-034-5120-066	7/1/21	6/30/22	11,757	\$ 2,280	(2,280)			\$ (2,280)		13,091	
Supplementary Instruction	23-100-034-5120-066	7/1/22	6/30/23	21,972	21,972	(9,416)					9,416	
Supplementary Instruction	22-100-034-5120-066	7/1/21	6/30/22	9,912	2,478	(2,478)				(2,478)	372	
Corrective Speech	23-100-034-5120-373	7/1/22	6/30/23	14,196	14,196	(13,971)					225	
Technology Initiative	22-100-034-5120-373	7/1/21	6/30/22	14,658	3,227	(3,227)					3,388	
Climate Change Awareness	23-100-034-5063-359	7/1/22	6/30/23	6,660	5,934	(5,934)					5,934	
Subtotal Special Revenue Fund					127,664	(97,461)			(7,985)		29,782	
Total State Department of Education					15,901,737	(15,675,426)			(7,985)	(1,029,482)	29,782	
N/A - Not Available/Applicable.												

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period From To	Program/Award Amount	June 30, 2022		Cash Received	Budgetary Expenditures	Refund of Prior Year Expenditures	Repayment of Balances	June 30, 2023		MEMO		
				Budgetary Unearned Revenue/(Accounts Receivable)	Due to Grantor					GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary (Accounts Receivable)	Cumulative Total Expenditures	
Special Revenue Fund:														
New Jersey Schools Development Educational Facilities Construction & Authority:														
Schools Development Authority - Emergent and Capital Maintenance Needs Grant	N/A	7/1/22 6/30/23	\$ 59,911	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ (59,911)	\$ 59,911	
Total New Jersey Schools Development Authority														
Total Special Revenue Fund														
				\$ (3,809)	\$ 7,985	\$ 127,664	\$ (157,372)	\$ 3,388	\$ (7,985)	\$ (59,911)	\$ (59,911)	\$ 29,782	\$ 157,372	
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT DETERMINATION				\$ (1,596,703)	\$ 7,985	\$ 15,901,737	\$ (15,735,337)	\$ 3,388	\$ (7,985)	\$ (1,089,393)	\$ - 0 -	\$ 29,782	\$ (1,396,786)	\$ 15,735,337

Less - State Awards Not Subject to Single Audit Major Program Determination:

On-Behalf TPAF Pension System Contributions:	Grant Period From To	Program/Award Amount	Cash Received	Budgetary Expenditures	Refund of Prior Year Expenditures	Repayment of Balances	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
Post-Retirement Medical	7/1/22 6/30/23	1,933,191		1,933,191						
Pension	7/1/22 6/30/23	7,258,296		7,258,296						
Non-Contributory Insurance	7/1/22 6/30/23	100,701		100,701						
Long-Term Disability Insurance	7/1/22 6/30/23	2,727		2,727						
Subtotal On-Behalf TPAF Pension System Contributions		9,294,915		9,294,915						
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT MAJOR PROGRAM DETERMINATION				\$ (6,440,422)						

N/A - Not Available/Applicable.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include federal and state awards activity of the Board of Education, West Morris Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2023. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. 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 fiscal 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 final two state aid payments for the prior fiscal year and current fiscal year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the final two state aid payments for the current fiscal year are not recognized until the subsequent budget year due to the state deferral and recording of those payments in the subsequent fiscal year and the final two state aid payments for the prior fiscal year are recognized in the current fiscal 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 revenue, whereas the GAAP basis does not. Grant revenue in the Capital Projects Fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

The net adjustment to reconcile revenue from the budgetary basis to the GAAP basis is \$13,105 for the General Fund and \$6,755 for the Special Revenue Fund of which \$(139) is not attributable to federal and state grants). See Note 1D 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 revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ 5,583	\$ 15,591,070	\$ 15,596,653
Special Revenue Fund	843,795	159,980	1,003,775
Total Financial Awards	\$ 849,378	\$ 15,751,050	\$ 16,600,428

NOTE 5. 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 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2023.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the District's financial statements.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance* Required by the Uniform Guidance and NJ OMB 15-08.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.

The District's federal and state programs tested as major programs for the current fiscal year were the following:

	<u>Assistance Listing/ State Grant Numbers</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. - Part B, Basic	84.027	7/1/22-9/30/23	\$ 506,053	\$ 494,404
<u>State:</u>				
Special Education Categorical				
Aid	23-495-034-5120-089	7/1/22-6/30/23	2,078,066	2,078,066
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	213,804	213,804
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	197,944	197,944
Supplemental Stabilization Aid	23-495-034-5120-128	7/1/22-6/30/23	47,606	47,606
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,318,186	1,318,186

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

Summary of Auditors' Results: (Cont'd)

- The threshold used for distinguishing between Type A and Type B federal and state programs was \$750,000.
- The single audit threshold identified in the Uniform Guidance and New Jersey's OMB Circular 15-08 was \$750,000.
- The District was not determined to be a "low-risk" auditee for federal and state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in the Uniform Guidance and New Jersey's OMB Circular 15-08.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Status of Prior Fiscal Year Findings:

There were no findings or questioned costs for the prior fiscal year ended June 30, 2022.