

**WESTWOOD REGIONAL SCHOOL DISTRICT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Washington Township, New Jersey**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**Westwood Regional School District**

**Washington Township, New Jersey**

**For The Fiscal Year Ended June 30, 2023**

**Prepared by**

**Business Office**

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## **INTRODUCTORY SECTION**



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

Tel: 201-664-0880

Fax: 201-664-7642

Jill Mortimer, Ed.D.  
Superintendent of Schools

Keith A Rosado  
Business Administrator/Board Secretary

November 29, 2023

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

Dear Board Members:

The Annual Comprehensive Financial Report of the Westwood Regional School District (hereafter the "District") for the fiscal year ended June 30, 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 District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

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

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[www.wrrsd.org](http://www.wrrsd.org)



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

**1) REPORTING ENTITY AND ITS SERVICES**

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

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through Grade 12. These include regular, as well as special education for handicapped students. In the 2022-23 fiscal year, the District’s average daily enrollment was 2,777 students, which is an increase of 11 students from the previous year’s enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Fiscal Year	Average Daily Enrollment	Percent Change
2022-23	2,777	.40%
2021-22	2,766	(.07%)
2020-21	2,768	(1.04%)
2019-20	2,797	.90%
2018-19	2,772	.82%
2017-18	2,795	.61%
2016-17	2,778	1.60%
2015-16	2,734	(.03%)
2014-15	2,735	1.75%
2013-14	2,688	.29%

**2) ECONOMIC CONDITION AND OUTLOOK**

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

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

The district continues to include Capital Project upgrades and projects within its annual budget and use of Capital Reserves Funds. For the 2022-23 school year projects included the Electrical Panel upgrades at Berkeley and George School; New Univent for Brookside School; Roof Replacements at Berkeley School and Washington School; Turf Replacement, Weight Room, Tennis Courts and Dugouts at the High School.

### **3) INTERNAL ACCOUNTING CONTROLS**

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

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

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

### **4) BUDGETARY CONTROLS:**

In addition to the internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted from the general fund, the special revenue fund, and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2023. These are reappropriated automatically into the following fiscal year, and as a result, increase the approved budget.

### **5) ACCOUNTING SYSTEM AND REPORTS**

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

### **6) CASH MANAGEMENT**

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements". The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA").

GUPDA was enacted in 1970 to protect Governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

### **7) RISK MANAGEMENT**

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


### **8) INDEPENDENT AUDIT**

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

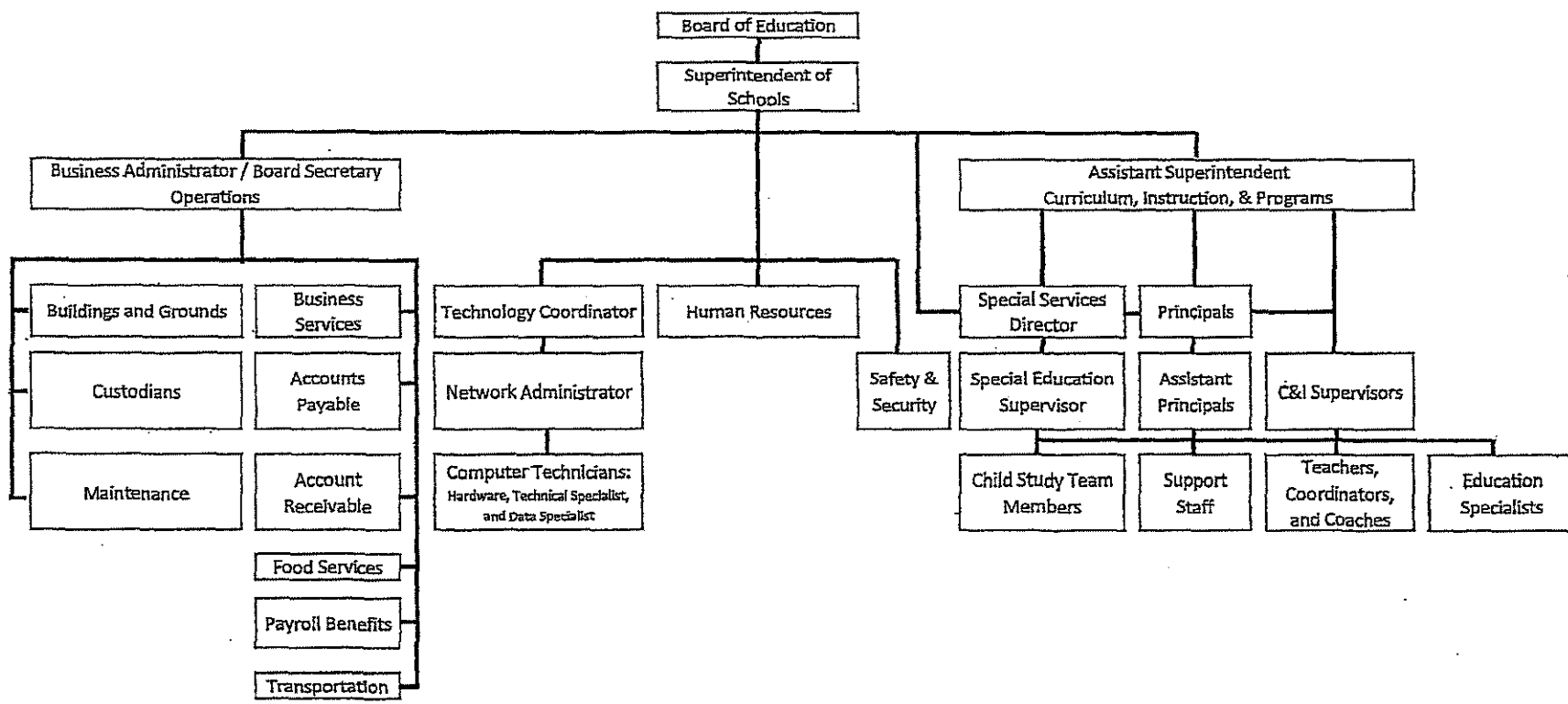
### **9) ACKNOWLEDGEMENTS**

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

Respectfully submitted,

  
\_\_\_\_\_  
**Jill Mortimer, Ed.D.**  
**Superintendent**

  
\_\_\_\_\_  
**Keith A. Rosado**  
**Business Administrator/Board Secretary**



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**WESTWOOD REGIONAL SCHOOL DISTRICT**

**ROSTER OF OFFICIALS  
as of June 30, 2023**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Michael Pontillo, President	2023
Kristen Pedersen, Vice-President	2024
Laura Cooper	2025
Douglas Cusato	2025
Irene Fenarjian	2023
Jason Garcia	2025
James Parrino	2023
Andrea Peck	2024
Stacey Price	2023

**Other Officials**

Dr. Jill Mortimer, Superintendent of Schools

Keith A. Rosado, School Business Administrator/Board Secretary

Andrea Wasserman, Treasurer

Rodney T. Hara, Esq., Legal Counsel

**WESTWOOD REGIONAL SCHOOL DISTRICT**

**CONSULTANTS AND ADVISORS  
as of June 30, 2023**

*Audit Firm*

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

*Attorney*

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

*Special Education Attorney*

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

*Architect*

FKA Architects  
306 Ramapo Valley Road  
Oakland, NJ 07436

*Official Depository*

Valley Bank  
370 Pascack Road  
Washington Twsp., NJ 07676

**FINANCIAL SECTION**





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Financial Statements**

#### ***Opinions***

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of June 30, 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, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Westwood Regional School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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



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

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

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

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

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

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

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

### ***Supplementary Information***

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

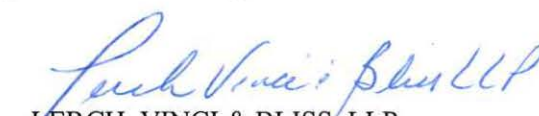
### ***Other Information***


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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 2023 on our consideration of the Westwood Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Westwood Regional School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Westwood Regional School District's internal control over financial reporting and compliance.

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
November 29, 2023

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

This section of Westwood Regional School District's annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. The intent of this section is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-2023 fiscal year include the following:

- The assets and deferred outflows of resources of the Westwood Regional School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$62,301,514 (net position).
- Overall District revenues were \$77,294,570. General revenues accounted for \$59,777,578 or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$17,516,992, or 23%, of total revenues.
- The School District had \$70,129,052 in expenses for governmental activities; only \$15,927,533 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes and unrestricted State aid) of \$59,768,023 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$33,206,232 an increase of \$2,568,586 when compared to the ending fund balance at June 30, 2022 of \$30,637,646.
- The General Fund unassigned fund balance at June 30, 2023 was \$1,005,607, a decrease of \$1,017,984 when compared with the ending unassigned fund balance of \$2,023,591 at June 30, 2022.
- The General Fund unassigned budgetary fund balance at June 30, 2023 was \$2,457,883 which represents a decrease of \$937,255 when compared to the ending unassigned fund balance at June 30, 2022 of \$3,395,138. This decrease is primarily the result of a reduction in the maximum statutory amount permitted to be retained by local school districts in the State of New Jersey.

# WESTWOOD REGIONAL SCHOOL DISTRICT

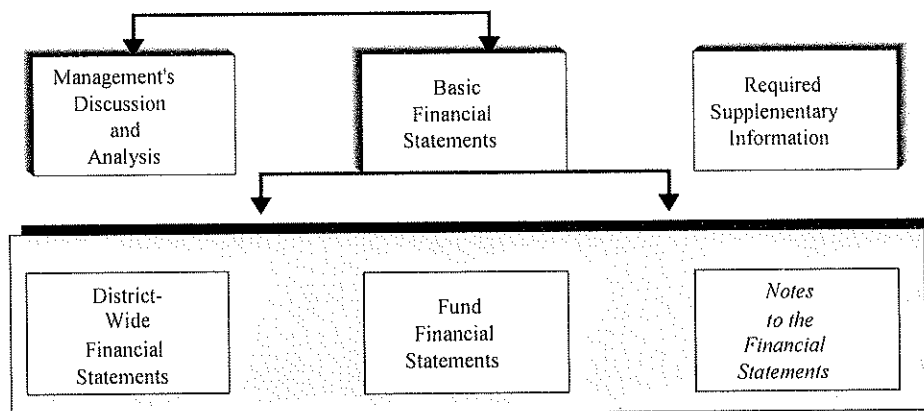
## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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



# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary or fiduciary, such as instruction, special education building maintenance, and community education	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenses, and Changes in Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows, liabilities, deferred inflows, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or Paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### District-Wide Financial Statements

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

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

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

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

- *Governmental Activities* – Most of the District's basic services are included here, such as regular instruction and special education, transportation, administration, and plant operation and maintenance. State and Federal Aids and tuition charged to other school districts finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund, Summer Enrichment Fund and 1:1 Initiative Fund are included here.

### Fund Financial Statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).



# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The District's Enterprise Fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

### Notes to the Financial Statements

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

### Other Information

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

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

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

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$62,301,514 and \$56,510,766 as of June 30, 2023 and 2022, respectively, as shown below.

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

#### Net Position as of June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and Other Assets	\$ 35,727,385	\$ 32,246,859	\$ 903,864	\$ 756,499	\$ 36,631,249	\$ 33,003,358
Capital Assets	53,378,158	52,861,580	214,048	195,813	53,592,206	53,057,393
<b>Total Assets</b>	<u>89,105,543</u>	<u>85,108,439</u>	<u>1,117,912</u>	<u>952,312</u>	<u>90,223,455</u>	<u>86,060,751</u>
<b>Deferred Outflows of Resources</b>						
Deferred Amounts on Net Pension Liability	1,324,089	456,528			1,324,089	456,528
Deferred Amounts on Refunding of Debt	335,360	356,183	-	-	335,360	356,183
<b>Total Deferred Outflows</b>	<u>1,659,449</u>	<u>812,711</u>	<u>-</u>	<u>-</u>	<u>1,659,449</u>	<u>812,711</u>
<b>Total Assets and Deferred Outflows</b>	<u>90,764,992</u>	<u>85,921,150</u>	<u>1,117,912</u>	<u>952,312</u>	<u>91,882,904</u>	<u>86,873,462</u>
<b>Liabilities</b>						
Long-Term Liabilities	25,415,353	24,402,253			25,415,353	24,402,253
Other Liabilities	2,692,163	1,795,640	70,002	128,646	2,762,165	1,924,286
<b>Total Liabilities</b>	<u>28,107,516</u>	<u>26,197,893</u>	<u>70,002</u>	<u>128,646</u>	<u>28,177,518</u>	<u>26,326,539</u>
<b>Deferred Inflows of Resources</b>						
Deferred Amounts on Net Pension Liability	1,403,872	4,036,157	-	-	1,403,872	4,036,157
<b>Total Deferred Inflows</b>	<u>1,403,872</u>	<u>4,036,157</u>	<u>-</u>	<u>-</u>	<u>1,403,872</u>	<u>4,036,157</u>
<b>Total Liabilities and Deferred Inflows</b>	<u>29,511,388</u>	<u>30,234,050</u>	<u>70,002</u>	<u>128,646</u>	<u>29,581,390</u>	<u>30,362,696</u>
<b>Net Position</b>						
Net Investment in Capital Assets	39,584,391	37,778,550	214,048	195,813	39,798,439	37,974,363
Restricted	22,103,603	22,303,756			22,103,603	22,303,756
Unrestricted	(434,390)	(4,395,206)	833,862	627,853	399,472	(3,767,353)
<b>Total Net Position</b>	<u>\$ 61,253,604</u>	<u>\$ 55,687,100</u>	<u>\$ 1,047,910</u>	<u>\$ 823,666</u>	<u>\$ 62,301,514</u>	<u>\$ 56,510,766</u>

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

The changes in net position for fiscal years ended 2023 and 2022 are as follows:

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 847,951	\$ 525,761	\$ 1,087,419	\$ 229,010	\$ 1,935,370	\$ 754,771
Operating Grants and Contributions	14,933,457	17,308,345	502,040	1,384,229	15,435,497	18,692,574
Capital Grants and Contributions	146,125	199,401			146,125	199,401
General Revenues						
Property Taxes	58,214,361	56,774,193			58,214,361	56,774,193
State Aid	300,427	286,198			300,427	286,198
Investment Earnings	1,186,903	65,728	9,555	330	1,196,458	66,058
Miscellaneous	66,332	103,356	-	-	66,332	103,356
<b>Total Revenues</b>	<u>75,695,556</u>	<u>75,262,982</u>	<u>1,599,014</u>	<u>1,613,569</u>	<u>77,294,570</u>	<u>76,876,551</u>
<b>Expenses</b>						
Instruction						
Regular	27,451,133	27,091,636			27,451,133	27,091,636
Special Education	10,840,127	10,232,627			10,840,127	10,232,627
Other Instruction	1,761,765	2,046,558			1,761,765	2,046,558
School Sponsored Activities and Athletics	1,904,365	1,661,820			1,904,365	1,661,820
Support Services						
Student and Instruction Related Services	11,444,932	11,661,879			11,444,932	11,661,879
General Administration Services	1,739,340	1,534,012			1,739,340	1,534,012
School Administration Services	3,634,210	3,743,244			3,634,210	3,743,244
Plant Operation and Maintenance	7,793,517	7,139,127			7,793,517	7,139,127
Pupil Transportation	1,891,748	1,258,687			1,891,748	1,258,687
Business Services	1,281,418	1,209,080			1,281,418	1,209,080
Interest and Other Chgs on Long-Term Debt	386,497	647,398			386,497	647,398
Food Service			1,334,145	1,324,657	1,334,145	
Other	-	-	40,625	17,330	40,625	17,330
<b>Total Expenses</b>	<u>70,129,052</u>	<u>68,226,068</u>	<u>1,374,770</u>	<u>1,341,987</u>	<u>71,503,822</u>	<u>68,243,398</u>
Change in Net Position	5,566,504	7,036,914	224,244	271,582	5,790,748	8,633,153
<b>Net Position, Beginning of Year</b>	<u>55,687,100</u>	<u>48,650,186</u>	<u>823,666</u>	<u>552,084</u>	<u>56,510,766</u>	<u>49,202,270</u>
<b>Net Position, End of Year</b>	<u>\$ 61,253,604</u>	<u>\$ 55,687,100</u>	<u>\$ 1,047,910</u>	<u>\$ 823,666</u>	<u>\$ 62,301,514</u>	<u>\$ 57,835,423</u>

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs with decreased enrollment, the provision of a multitude of special programs/services for disabled pupils, and increases in District health benefits costs places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

**Total and Net Cost of Governmental Activities.** The following schedule presents the District's total costs of services provided by major activity. After applying program revenues, derived from charges for services, operating grants and contributions and capital grants and contributions, the net cost of these services is presented. The following is a comparative analysis of the total and the net cost of governmental activities for the fiscal years ended June 30, 2023 and 2022.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction				
Regular	\$ 27,451,133	\$ 27,091,636	\$ 21,830,083	\$ 20,381,170
Special Education	10,840,127	10,232,627	4,668,785	4,338,149
Other Instruction	1,761,765	2,046,558	1,360,625	1,525,290
School Sponsored Activities and Athletics	1,904,365	1,661,820	967,391	1,198,367
Support Services				
Student and Instruction Related Services	11,444,932	11,661,879	10,491,026	9,858,966
General Administration	1,739,340	1,534,012	1,515,745	1,270,897
School Administration Services	3,634,210	3,743,244	3,113,927	2,988,277
Plant Operation and Maintenance	7,793,517	7,139,127	7,569,356	6,278,517
Pupil Transportation	1,891,748	1,258,687	1,620,935	778,574
Business Services	1,281,418	1,209,080	815,825	1,076,686
Interest and Other Charges on Long-Term Debt	<u>386,497</u>	<u>647,398</u>	<u>247,821</u>	<u>497,668</u>
<b>Total</b>	<b><u>\$ 70,129,052</u></b>	<b><u>\$ 68,226,068</u></b>	<b><u>\$ 54,201,519</u></b>	<b><u>\$ 50,192,561</u></b>

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$33,206,232, an increase of \$2,568,586 from last year's fund balance of \$30,637,646.

Revenues for the District's governmental funds were \$81,402,738; total expenditures were \$78,474,152.

**General Fund** - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students.

Revenues of the General Fund were \$76,550,600 for the fiscal year ended June 30, 2023. State sources amounted to \$18,118,900, federal sources totaled \$9,806 and local sources were \$58,421,894.

Expenditures of the General Fund were \$73,835,693. Instructional expenditures were \$44,354,948 for support services were \$26,846,184 and capital expenditures totaled \$2,634,561 for the fiscal year ended June 30, 2023.

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

Revenues of the Special Revenue Fund were \$2,753,988 for the fiscal year ended June 30, 2023. State sources amounted to \$417,699, federal sources totaled \$1,718,994 and local sources were \$617,295.

Expenditures of the Special Revenue Fund were \$2,763,336. Instructional expenditures were \$2,223,295 for support services were \$393,916 and capital expenditures totaled \$146,125 for the fiscal year ended June 30, 2023.

**Capital Projects** - The capital projects expenditures and other financing sources were \$531,335 during the 2022-23 fiscal year, decreasing fund balance to \$940,297 as projects continue to near completion.

#### Proprietary Funds

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

# WESTWOOD REGIONAL SCHOOL DISTRICT

## Management's Discussion and Analysis

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

### GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into the following categories

- Implementing budgets for specially funded projects, which include both federal and state grants.
- Reappropriation of June 30, 2022 encumbrances.
- Appropriation of Capital Reserve

### CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2023 and 2022 amounts to \$53,592,206 and \$53,057,393 (net of accumulated depreciation), respectively. The capital assets consist of building, machinery and equipment and construction in progress. Depreciation charges for the fiscal year 2022-2023 amounted to \$2,356,081 for governmental activities and \$25,983 for the Business-Type activities.

The following is a comparative analysis of capital assets at June 30, 2023 and 2022.

	Governmental		Business- Type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Construction in Progress	\$ 658,801	\$ 689,633			\$ 658,801	\$ 689,633
Buildings	50,071,054	49,499,298			50,071,054	49,499,298
Machinery and Equipment	<u>2,648,303</u>	<u>2,672,649</u>	<u>\$ 214,048</u>	<u>\$ 195,813</u>	<u>2,862,351</u>	<u>2,868,462</u>
<b>Total</b>	<u>\$ 53,378,158</u>	<u>\$ 52,861,580</u>	<u>\$ 214,048</u>	<u>\$ 195,813</u>	<u>\$ 53,592,206</u>	<u>\$ 53,057,393</u>

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

# **WESTWOOD REGIONAL SCHOOL DISTRICT**

## **Management's Discussion and Analysis**

### **LONG TERM LIABILITIES**

At June 30, 2023, the District's long-term liabilities consisted of compensated absences payable of \$1,730,401, serial bonds (net of unamortized premium) of \$14,904,056 and net pension liability of \$8,780,896, for a total of \$25,415,353. This is in comparison to long-term liabilities at June 30, 2022 of \$24,402,253, or an increase of \$1,013,100.

Additional information on the District's long-term liabilities are presented in the Notes to the Financial Statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Many factors were considered by the District's administration during the process of developing the fiscal year 2023-2024 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing labor and related employee benefit costs

These expenditures are to be paid for by the mandated 2% CAP on the property tax levy with certain allowable adjustments to the tax levy. In the future, any such allowable adjustments may not be permitted.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

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

**BASIC FINANCIAL STATEMENTS**



**WESTWOOD REGIONAL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2023**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 29,922,803	\$ 792,557	\$ 30,715,360
Investments	3,924,805		3,924,805
Receivables, net	1,879,777	76,795	1,956,572
Inventories		34,512	34,512
Capital Assets Not Being Depreciated	658,801		658,801
Capital Assets, Net of Accumulated Depreciation	52,719,357	214,048	52,933,405
Total Assets	<u>89,105,543</u>	<u>1,117,912</u>	<u>90,223,455</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding of Debt	335,360		335,360
Deferred Amount on Net Pension Liability	1,324,089	-	1,324,089
Total Deferred Outflows of Resources	<u>1,659,449</u>	<u>-</u>	<u>1,659,449</u>
Total Assets and Deferred Outflows of Resources	<u>90,764,992</u>	<u>1,117,912</u>	<u>91,882,904</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	1,060,204	7,818	1,068,022
Intergovernmental Payable	29,891		29,891
Unearned Revenue	1,431,058	62,184	1,493,242
Accrued Interest Payable	171,010		171,010
Noncurrent Liabilities			
Due Within One Year	1,280,000		1,280,000
Due Beyond One Year	24,135,353		24,135,353
Total Liabilities	<u>28,107,516</u>	<u>70,002</u>	<u>28,177,518</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount on Net Pension Liability	1,403,872	-	1,403,872
Total Deferred Inflows of Resources	<u>1,403,872</u>	<u>-</u>	<u>1,403,872</u>
Total Liabilities and Deferred Inflows of Resources	<u>29,511,388</u>	<u>70,002</u>	<u>29,581,390</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	39,584,391	214,048	39,798,439
Restricted for:			
Capital Projects	18,456,742		18,456,742
Maintenance	2,500,000		2,500,000
Debt Service	53,884		53,884
Other Purposes	1,092,977		1,092,977
Unrestricted	(434,390)	833,862	399,472
Total Net Position	<u>\$ 61,253,604</u>	<u>\$ 1,047,910</u>	<u>\$ 62,301,514</u>

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

WESTWOOD REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 27,451,133	\$ 229,738	\$ 5,391,312		\$ (21,830,083)		\$ (21,830,083)
Special Education	10,840,127		6,171,342		(4,668,785)		(4,668,785)
Other Instruction	1,761,765		401,140		(1,360,625)		(1,360,625)
School Sponsored Activities and Athletics	1,904,365	594,606	342,368		(967,391)		(967,391)
Support Services							
Student and Instruction Related Svcs.	11,444,932		953,906		(10,491,026)		(10,491,026)
General Administrative Services	1,739,340		223,595		(1,515,745)		(1,515,745)
School Administrative Services	3,634,210		520,283		(3,113,927)		(3,113,927)
Plant Operations and Maintenance	7,793,517	23,607	54,429	\$ 146,125	(7,569,356)		(7,569,356)
Pupil Transportation	1,891,748		270,813		(1,620,935)		(1,620,935)
Business Services	1,281,418		465,593		(815,825)		(815,825)
Interest on Long-Term Debt	386,497		138,676		(247,821)		(247,821)
Total Governmental Activities	70,129,052	847,951	14,933,457	146,125	(54,201,519)	-	(54,201,519)
Business-Type Activities							
Food Service	1,334,145	1,031,718	502,040			\$ 199,613	199,613
Other	40,625	55,701	-			15,076	15,076
Total Business-Type Activities	1,374,770	1,087,419	502,040			214,689	214,689
Total Primary Government	\$ 71,503,822	\$ 1,935,370	\$ 15,435,497	\$ 146,125	(54,201,519)	214,689	(53,986,830)
General Revenues:							
Property Taxes, Levied for General Purposes					56,915,314		56,915,314
Property Taxes, Levied for Debt Service					1,299,047		1,299,047
State Aid Restricted for Debt Service Principal					300,427		300,427
Investment Earnings					1,186,903	9,555	1,196,458
Miscellaneous Income					66,332		66,332
Total General Revenues					59,768,023	9,555	59,777,578
Change in Net Position					5,566,504	224,244	5,790,748
Net Position, Beginning of Year					55,687,100	823,666	56,510,766
Net Position, End of Year					\$ 61,253,604	\$ 1,047,910	\$ 62,301,514

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

**FUND FINANCIAL STATEMENTS**

WESTWOOD REGIONAL SCHOOL DISTRICT  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET  
 AS OF JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 28,073,345	\$ 413,150	\$ 1,382,424	\$ 53,884	\$ 29,922,803
Investments	3,924,805				3,924,805
Receivables, Net					
Receivables From Other Governments	133,334	1,746,180			1,879,514
Other Receivables	263				263
Due from Other Funds	609,021	-	-	-	609,021
<b>Total Assets</b>	<u>\$ 32,740,768</u>	<u>\$ 2,159,330</u>	<u>\$ 1,382,424</u>	<u>\$ 53,884</u>	<u>\$ 36,336,406</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 390,270	\$ 115,572	\$ 2,765		\$ 508,607
Due to Other Funds		169,659	439,362		609,021
Intergovernmental Payables		29,891			29,891
Payroll Deductions and Withholdings Payable	551,597				551,597
Unearned Revenue		1,431,058	-	-	1,431,058
<b>Total Liabilities</b>	<u>941,867</u>	<u>1,746,180</u>	<u>442,127</u>	<u>-</u>	<u>3,130,174</u>
<b>Fund Balances</b>					
<b>Restricted Fund Balance:</b>					
Capital Reserve	14,321,374				14,321,374
Capital Reserve-Designated for Subsequent Year's Expenditures	3,970,000				3,970,000
Maintenance Reserve	2,500,000				2,500,000
Emergency Reserve	394,195				394,195
Unemployment Compensation Reserve	679,827				679,827
Excess Surplus-Designated for Subsequent Year's Expenditures	1,500,000				1,500,000
Excess Surplus	1,500,000				1,500,000
Scholarship Awards		161,678			161,678
Student Activities and Athletics		251,472			251,472
Capital Projects			\$ 940,297		940,297
Debt Service				\$ 53,884	53,884
<b>Committed Fund Balance</b>					
Year-End Encumbrances	2,771,196				2,771,196
<b>Assigned Fund Balance</b>					
Designated for Subsequent Year's Expenditures	2,213,521				2,213,521
Year-End Encumbrances	943,181				943,181
<b>Unassigned Fund Balance</b>	<u>1,005,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,005,607</u>
<b>Total Fund Balances</b>	<u>31,798,901</u>	<u>413,150</u>	<u>940,297</u>	<u>53,884</u>	<u>33,206,232</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 32,740,768</u>	<u>\$ 2,159,330</u>	<u>\$ 1,382,424</u>	<u>\$ 53,884</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$82,208,297 and the accumulated depreciation is \$28,830,139. 53,378,158

The District has financed capital assets through the issuance of general obligation bonds. The accrued interest at year end is: (171,010)

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 335,360

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and deferred over future years.

	\$ 1,324,089	
Deferred Outflows of Resources		
Deferred Inflows of Resources	(1,403,872)	
		(79,783)

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

	(14,904,056)	
Serial Bonds Payable		
Net Pension Liability	(8,780,896)	
Compensated Absences Payable	(1,730,401)	
		(25,415,353)

Net Position of Governmental Activities (Exhibit A-1) \$ 61,253,604

**WESTWOOD REGIONAL SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources					
Local Property Tax Levy	\$ 56,915,314			\$ 1,299,047	\$ 58,214,361
Tuition	229,738				229,738
Rentals	23,607				23,607
Interest	1,186,903				1,186,903
Miscellaneous	66,332	\$ 617,295	-	-	683,627
Total - Local Sources	58,421,894	617,295		1,299,047	60,338,236
State Sources	18,118,900	417,699		439,103	18,975,702
Federal Sources	9,806	1,718,994	-	-	1,728,800
Total Revenues	76,550,600	2,753,988	-	1,738,150	81,042,738
<b>EXPENDITURES</b>					
Current					
Instruction					
Regular Instruction	30,289,817	563,911			30,853,728
Special Education Instruction	10,852,582	981,579			11,834,161
Other Instruction	1,872,936	83,678			1,956,614
School Sponsored Activities and Athletics	1,339,613	594,127			1,933,740
Support Services					
Student and Instruction Related Services	12,056,795	245,600			12,302,395
General Administrative Services	1,817,588				1,817,588
School Administrative Services	4,029,220				4,029,220
Central Services	1,318,031	22,487			1,340,518
Plant Operations and Maintenance	5,743,224	125,829			5,869,053
Pupil Transportation	1,881,326				1,881,326
Debt Service					
Principal				1,220,000	1,220,000
Interest and Other Charges				563,150	563,150
Capital Outlay	2,634,561	146,125	\$ 91,973	-	2,872,659
Total Expenditures	73,835,693	2,763,336	91,973	1,783,150	78,474,152
Excess (Deficiency) of Revenues Over/(Under) Expenditures	2,714,907	(9,348)	(91,973)	(45,000)	2,568,586
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	439,362		-		439,362
Transfers Out	-		(439,362)	-	(439,362)
Total Other Financing Sources (Uses)	439,362	-	(439,362)	-	-
Net Change in Fund Balances	3,154,269	(9,348)	(531,335)	(45,000)	2,568,586
Fund Balance, Beginning of Year	28,644,632	422,498	1,471,632	98,884	30,637,646
Fund Balance, End of Year	\$ 31,798,901	\$ 413,150	\$ 940,297	\$ 53,884	\$ 33,206,232

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)** \$ 2,568,586

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

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

Capital Outlays	\$ 2,872,659	
Depreciation Expense	<u>(2,356,081)</u>	516,578

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

Net Decrease in Net Pension Liability	1,063,815	
Amortization of Original Issue Premium	182,059	
Amortization of Deferred Amount on Refunding	(20,823)	
Net Decrease in Compensated Absences Payable	<u>20,872</u>	1,245,923

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

Bond Principal Repayments		1,220,000
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest		<u>15,417</u>
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**Change in Net Position of Governmental Activities (Exhibit A-2)** **\$ 5,566,504**

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUND  
 STATEMENT OF NET POSITION  
 AS OF JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Fund</b>		
	<b>Food Service</b>	<b>Other Non-Major</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 680,188	\$ 112,369	\$ 792,557
Intergovernmental Accounts Receivable	57,705		57,705
Accounts Receivable	19,090		19,090
Inventories	34,512	-	34,512
Total Current Assets	791,495	112,369	903,864
Capital Assets			
Furniture, Machinery and Equipment	423,510		423,510
Less Accumulated Depreciation	(209,462)	-	(209,462)
Total Capital Assets, Net of Accumulated Depreciation	214,048	-	214,048
Total Assets	1,005,543	112,369	1,117,912
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	5,446	2,372	7,818
Unearned Revenue	31,475	30,709	62,184
Total Liabilities	36,921	33,081	70,002
<b>NET POSITION</b>			
Investment in Capital Assets	214,048		214,048
Unrestricted	754,574	79,288	833,862
Total Net Position	\$ 968,622	\$ 79,288	\$ 1,047,910

**WESTWOOD REGIONAL SCHOOL DISTRICT  
PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Fund</b>		
	<b>Food Service</b>	<b>Other Non-Major</b>	<b>Total</b>
Operating Revenues			
Charges for Services			
Daily Sales - Reimbursable Programs	\$ 164,191		\$ 164,191
Daily Sales - Non-Reimbursable Programs	813,753		813,753
Miscellaneous	53,774		53,774
Program Fees		\$ 55,701	55,701
	<u>1,031,718</u>	<u>55,701</u>	<u>1,087,419</u>
Total Operating Revenues			
Operating Expenses			
Cost of Sales - Reimbursable Programs	340,417		340,417
Cost of Sales - Non-Reimbursable Programs	290,737		290,737
Cost of Sales - USDA Commodities	65,690		65,690
Salaries and Wages	430,906		430,906
Employee Benefits	32,352		32,352
Management Fee	54,412		54,412
Repairs and Maintenance	29,820		29,820
Purchased Professional Services	37,218		37,218
Supplies and Materials	17,611	40,625	58,236
Miscellaneous	8,999		8,999
Depreciation	25,983		25,983
	<u>1,334,145</u>	<u>40,625</u>	<u>1,374,770</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(302,427)</u>	<u>15,076</u>	<u>(287,351)</u>
Nonoperating Revenues			
State Sources			
State School Lunch Program	15,616		15,616
Federal Sources			
School Breakfast Program	4,554		4,554
National School Lunch Program	281,159		281,159
USDA Commodities	65,690		65,690
Supply Chain Assistance	135,021		135,021
Interest and Investment Revenue	8,932	623	9,555
	<u>510,972</u>	<u>623</u>	<u>511,595</u>
Total Nonoperating Revenues			
Change in Net Position	208,545	15,699	224,244
Net Position, Beginning of Year	<u>760,077</u>	<u>63,589</u>	<u>823,666</u>
Net Position, End of Year	<u>\$ 968,622</u>	<u>\$ 79,288</u>	<u>\$ 1,047,910</u>

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



**WESTWOOD REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUND  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Business-Type Activities - Enterprise Fund</b>		
	<b>Food Service</b>	<b>Other Non-Major</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 1,020,050	\$ 56,873	\$ 1,076,923
Payments for Employees	(463,258)		(463,258)
Payments to Suppliers/Refunds	(870,178)	(38,568)	(908,746)
Net Cash Provided (Used) by Operating Activities	(313,386)	18,305	(295,081)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Receipts from State and Federal Sources	650,054	-	650,054
Net Cash Provided By Non-Capital Financing Activities	650,054	-	650,054
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of Capital Assets	(44,218)	-	(44,218)
Net Cash (Used) by Capital and Related Financing Activities	(44,218)	-	(44,218)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	8,932	623	9,555
Net Cash Provided By Investing Activities	8,932	623	9,555
Net Increase in Cash and Cash Equivalents	301,382	18,928	320,310
Cash and Cash Equivalents—Beginning of Year	378,806	93,441	472,247
Cash and Cash Equivalents—End of Year	\$ 680,188	\$ 112,369	\$ 792,557
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$ (302,427)	\$ 15,076	\$ (287,351)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	25,983		25,983
Food Distribution Program (USDA Commodities) National School Lunch Program	65,690		65,690
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase) Decrease in Accounts Receivable	(15,445)		(15,445)
(Increase) Decrease in Inventories	(24,987)		(24,987)
Increase (Decrease) in Accounts Payable	(65,977)	2,057	(63,920)
Increase (Decrease) in Unearned Revenue	3,777	1,172	4,949
Total Adjustments	(10,959)	3,229	(7,730)
Net Cash Provided (Used) by Operating Activities	\$ (313,386)	\$ 18,305	\$ (295,081)
<b>Non Cash Investing, Capital and Financing Activities</b>			
Fair Value of Food Distribution Program- National School Lunch Program	\$ 65,690		\$ 65,690

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

**NOTES TO THE FINANCIAL STATEMENTS**

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Westwood Regional School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) regional school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent to the Board.

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

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

**B. New Accounting Standards**

During fiscal year 2023, the District adopted the following GASB statements:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

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

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**C. Basis of Presentation - Financial Statements**

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

**District-Wide Financial Statements**

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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

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

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

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

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

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

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

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

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

**Reclassifications**

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

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

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

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

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

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

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

***1. Cash, Cash Equivalents and Investments***

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

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

***2. Receivables***

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**3. Inventories**

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

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

**4. Capital Assets**

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

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

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

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***5. Deferred Outflows/Inflows of Resources (Continued)***

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

***6. Compensated Absences***

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

***7. Pensions***

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

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

***8. Long-Term Obligations***

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



WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. *Long-Term Obligations (Continued)*

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

9. *Net Position/Fund Balance*

District-Wide Statements

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

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

Governmental Fund Statements

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

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

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

*Capital Reserve - Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of capital reserve fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

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

WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

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

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

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

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that is required to be appropriated in the 2024/2025 original budget certified for taxes.

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

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

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

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

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

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

WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

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

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2023/2024 District budget certified for taxes.

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

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

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

10. *Fund Balance Policies*

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

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

***2. Property Taxes***

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

***3. Tuition Revenues and Expenditures***

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

Tuition Expenditures - Tuition charges for the fiscal years 2021/2022 and 2022/2023 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

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

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

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters. The restrictions are solely on the tax levy for the general fund and are not applicable to the debt service fund.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

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

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2022/2023. Also, during 2022/2023 the Board increased the original budget of the general fund by \$2,850,143 and the special revenue fund by \$659,400. The increases were funded by the additional appropriation of unassigned fund balance and capital reserve, grant awards and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriation of \$170,978 from unassigned fund balance and \$1,220,840 from capital reserve in the general fund.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**B. Capital Reserve**

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**B. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022		\$ 18,023,386
Increased by:		
Interest Earnings	\$ 481,884	
Return of Unencumbered Budget Withdrawals	741,030	
Return of Unexpended Completed Project Withdrawals	439,362	
Deposits Approved by Board Resolution	<u>3,269,654</u>	
Total Increases		<u>4,931,930</u>
		22,955,316
Decreased by:		
Withdrawals Approved in District Budget	(3,443,102)	
Withdrawals Approved by Board Resolution	<u>(1,220,840)</u>	
		<u>(4,663,942)</u>
Balance, June 30, 2023		<u>\$ 18,291,374</u>

The June 30, 2023 LRFPP balance of the total costs of uncompleted capital projects is estimated by management to be \$47,800,260. \$3,970,000 of the capital reserve balance at June 30, 2023 was designated and appropriated for use in the 2023/2024 original budget certified for taxes.

**C. Maintenance Reserve**

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

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

The activity of the maintenance reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	<u>\$ 2,500,000</u>
Balance, June 30, 2023	<u>\$ 2,500,000</u>

The June 30, 2023 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,642,291.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**D. Emergency Reserve**

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

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

The activity of the emergency reserve for the fiscal year ended June 30, 2023 is as follows:

Balance, July 1, 2022	<u>\$ 394,195</u>
Balance, June 30, 2023	<u>\$ 394,195</u>

**E. Calculation of Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2023 is \$3,000,000. Of this amount, \$1,500,000 was designated and appropriated in the 2023/2024 original budget certified for taxes and the remaining amount of \$1,500,000 is required to be appropriated in the 2024/2025 original budget certified for taxes.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments (Continued)**

**Cash Deposits (Continued)**

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2023, the book value of the Board's deposits was \$30,715,360 and bank and brokerage firm balances of the Board's deposits amounted to \$32,885,689. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 32,151,038
Uninsured and Collateralized	<u>734,651</u>
	<u>\$ 32,885,689</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2023 the Board's bank balance of \$734,651 was exposed to custodial credit risk as follows:

**Depository Account**

Uninsured and Collateralized	
Collateral held by pledging financial institution's trust department but not in the Board's name	<u>\$ 734,651</u>

**Investments**

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



**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments (Continued)**

**Investments (Continued)**

As of June 30, 2023, the Board had the following investments:

**Investment Type:**

N.J. Asset & Rebate Management Program (NJ ARM)	\$ <u>3,924,805</u>
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Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk. As of June 30, 2023, \$3,924,805 of the Board’s investments was exposed to custodial credit risk as follows:

	<b><u>Fair Value</u></b>
Uninsured and Uncollateralized	\$ <u>3,924,805</u>

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer. More than five (5) percent of the Board’s investments are in NJARM. These investments are 100% of the District’s total investments.

Fair Value of Investments. The Westwood Regional School District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than those in Level 1; and
- *Level 3:* Unobservable inputs.

Investments are valued based on price data obtained from observed transactions and market price quotations provided by NJ ARM. Since the value is not obtained from a quoted price in an active market the investments held by the District at June 30, 2023 are categorized as Level 2.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**B. Receivables**

Receivables as of June 30, 2023 for the district's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts	\$ 263		\$ 19,090	\$ 19,353
Intergovernmental				
Federal		1,742,970	54,764	1,797,734
State	<u>133,334</u>	<u>3,210</u>	<u>2,941</u>	<u>139,485</u>
Gross Receivables	133,597	1,746,180	76,795	1,956,572
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 133,597</u>	<u>\$ 1,746,180</u>	<u>\$ 76,795</u>	<u>\$ 1,956,572</u>

**C. Unearned Revenue**

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

Special Revenue Fund	
Grant Draw Downs Reserved for Encumbrances	\$ 1,380,098
Unencumbered Grant Draw Downs	<u>50,960</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 1,431,058</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

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

	<u>Balance, July 1, 2022</u>	<u>Increases</u>	<u>Adjustments / Decreases</u>	<u>Balance, June 30, 2023</u>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ 689,633	\$ 658,801	\$ (689,633)	\$ 658,801
Total Capital Assets, Not Being Depreciated	<u>689,633</u>	<u>658,801</u>	<u>(689,633)</u>	<u>658,801</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	72,301,548	1,764,694	689,633	74,755,875
Machinery and Equipment	<u>6,611,600</u>	<u>449,164</u>	<u>(267,143)</u>	<u>6,793,621</u>
Total Capital Assets Being Depreciated	<u>78,913,148</u>	<u>2,213,858</u>	<u>422,490</u>	<u>81,549,496</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(22,802,250)	(1,882,571)		(24,684,821)
Machinery and Equipment	<u>(3,938,951)</u>	<u>(473,510)</u>	<u>267,143</u>	<u>(4,145,318)</u>
Total Accumulated Depreciation	<u>(26,741,201)</u>	<u>(2,356,081)</u>	<u>267,143</u>	<u>(28,830,139)</u>
Total Capital Assets, Being Depreciated, Net	<u>52,171,947</u>	<u>(142,223)</u>	<u>689,633</u>	<u>52,719,357</u>
Governmental Activities Capital Assets, Net	<u>\$ 52,861,580</u>	<u>\$ 516,578</u>	<u>\$ -</u>	<u>\$ 53,378,158</u>
	<u>Balance, July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance, June 30, 2023</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 405,899	\$ 44,218	\$ (26,607)	\$ 423,510
Total Capital Assets Being Depreciated	<u>405,899</u>	<u>44,218</u>	<u>(26,607)</u>	<u>423,510</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(210,086)	(25,983)	26,607	(209,462)
Total Accumulated Depreciation	<u>(210,086)</u>	<u>(25,983)</u>	<u>26,607</u>	<u>(209,462)</u>
Total Capital Assets, Being Depreciated, Net	<u>195,813</u>	<u>18,235</u>	<u>-</u>	<u>214,048</u>
Business-Type Activities Capital Assets, Net	<u>\$ 195,813</u>	<u>\$ 18,235</u>	<u>\$ -</u>	<u>\$ 214,048</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

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

<b>Governmental Activities:</b>	
Instruction	
Regular Instruction	\$ 39,100
Special Education Instruction	10,341
Other Instruction	30,113
School Sponsored Co-Curricular Activities	<u>44,316</u>
Total Instruction	<u>123,870</u>
Support Services	
Student and Instruction Related Services	26,976
General Administrative Services	80,198
School Administrative Services	10,464
Plant Operations and Maintenance	2,091,360
Pupil Transportation	<u>23,213</u>
Total Support Services	<u>2,232,211</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,356,081</u>
<b>Business-Type Activities:</b>	
Food Service Fund	<u>\$ 25,983</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 25,983</u>

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2023:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Media Center Renovation Westwood Regional High School		\$ 1,102,000
Electric Service Replacement at Berkeley and George Schools		1,263,100
Berkeley and Washington Elementary School Partial Roof Replacement	\$ 590,401	637,599
High School Campbell Auditorium HVAC Replacement Project		609,000

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2023, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue	\$ 169,659
General Fund	Capital Project Fund	<u>439,362</u>
		<u>\$ 609,021</u>

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

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

**Interfund Transfers**

	<u>Transfer In:</u>
	General
	<u>Fund</u>
Transfer Out:	
Capital Projects Fund	<u>\$ 439,362</u>

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

**F. Long-Term Debt**

**General Obligation Bonds**

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

Bonds payable at June 30, 2023 are comprised of the following issues:

\$11,125,000, 2015 Refunding Bonds, due in annual installments of \$860,000 to \$1,150,000 through August 1, 2030, interest at 4.00% to 5.00%	\$7,945,000
\$7,751,000, 2018 School Bonds, due in annual installments of \$400,000 through September 15, 2038, interest at 3.00% to 3.25%	<u>6,400,000</u>
Total	<u>\$14,345,000</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Long-Term Debt (Continued)**

**General Obligation Bonds (Continued)**

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

**Governmental Activities:**

Fiscal Year Ended <u>June 30,</u>	<u>General Obligation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,260,000	\$ 517,550	\$ 1,777,550
2025	1,295,000	470,450	1,765,450
2026	1,330,000	421,950	1,751,950
2027	1,365,000	371,800	1,736,800
2028	1,405,000	319,900	1,724,900
2029-2033	5,290,000	788,025	6,078,025
2034-2038	2,000,000	226,500	2,226,500
2039	<u>400,000</u>	<u>6,500</u>	<u>406,500</u>
Total	<u>\$ 14,345,000</u>	<u>\$ 3,122,675</u>	<u>\$ 17,467,675</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2023 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 167,442,060
Less: Net Debt Issued and Authorized but Not Issued	<u>14,345,520</u>
Remaining Borrowing Power	<u>\$ 153,096,540</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	<u>Additions</u>	<u>Reductions</u>	Balance, June 30, 2023	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable	\$ 15,565,000		\$ 1,220,000	\$ 14,345,000	\$ 1,260,000
Unamortized Premium	741,115	-	182,059	559,056	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Bonds Payable	16,306,115		1,402,059	14,904,056	1,260,000
Compensated Absences	1,751,273	\$ 50,400	71,272	1,730,401	20,000
Net Pension Liability	6,344,865	2,436,031	-	8,780,896	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governmental Activities Long-Term Liabilities	<u>\$ 24,402,253</u>	<u>\$ 2,486,431</u>	<u>\$ 1,473,331</u>	<u>\$ 25,415,353</u>	<u>\$ 1,280,000</u>

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

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

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

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

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

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

Fiscal Year Ended <u>June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Earned</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2023		\$ 61,265	\$ 25,569	\$ 55,576	\$ 679,827
2022	\$ 50,000	53,977	1,585	757	654,258
2021	50,000	48,522	702	83,602	603,430

**B. Contingent Liabilities**

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

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2023, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2023, the District has not estimated its arbitrage earnings due to the IRS, if any.



**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

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

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

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

The following represents the membership tiers for PERS:

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

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

The following represent the membership tiers for TPAF:

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

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

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

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

**Other Pension Funds**

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

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

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

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

**Measurement Focus and Basis of Accounting**

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

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

**Investment Valuation**

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2022 is \$15.2 billion and the plan fiduciary net position as a percentage of the total pension liability is 62.91% . The collective net pension liability of the State funded TPAF at June 30, 2022 is \$51.7 billion and the plan fiduciary net position as a percentage of total pension liability is 32.29%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2021 which were rolled forward to June 30, 2022.

**Actuarial Methods and Assumptions**

In the July 1, 2021 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2023.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2023 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2023, 2022 and 2021 were equal to the required contributions.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Annual Pension Costs (APC) (Continued)**

During the fiscal years ended June 30, 2023, 2022 and 2021 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended June 30,	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2023	\$ 733,739	\$ 9,358,317	\$ 56,304
2022	627,238	9,379,910	46,370
2021	586,090	6,699,159	36,891

In addition, for fiscal years 2023, 2022 and 2021 the State contributed \$4,183, \$3,984 and \$4,326, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

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

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,972,068 during the fiscal year ended June 30, 2023 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes.

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2022 are based on the ratio of each employer’s contribution to total employer contributions of the group for the fiscal year ended June 30, 2022.

At June 30, 2023, the District reported in the statement of net position (accrual basis) a liability of \$8,780,896 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The District’s proportionate share of the net pension liability was based on the ratio of the District’s share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2022. At June 30, 2022, the District’s proportionate share was .05818 percent, which was an increase of .00463 from its proportionate share measured as of June 30, 2021 of .05355 percent.

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$330,076 for PERS. The pension contribution made by the District during the current 2022/2023 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2023 with a measurement date of the prior fiscal year end of June 30, 2022. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2023 for contributions made subsequent to the measurement date. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 63,376	\$ 55,889
Changes of Assumptions	27,206	1,314,848
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	363,433	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>870,074</u>	<u>33,135</u>
Total	<u>\$ 1,324,089</u>	<u>\$ 1,403,872</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

At June 30, 2023, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (472,384)
2024	(154,657)
2025	4,337
2026	537,605
2027	5,316
Thereafter	-
	<u>\$ (79,783)</u>

***Actuarial Assumptions***

The District's 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%

***Mortality Rates***

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

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

***Discount Rate***

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



**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

*Sensitivity of Net Pension Liability*

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 11,280,879</u>	<u>\$ 8,780,896</u>	<u>\$ 6,653,310</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2022. A sensitivity analysis specific to the District's net pension liability at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

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

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2021 through June 30, 2022. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2022, the State's pension contribution was more than the actuarial determined amount.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$3,119,831 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the net pension liability attributable to the District is \$115,923,710. The net pension liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of July 1, 2021. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2022. At June 30, 2022, the State's share of the net pension liability attributable to the District was .22468 percent, which was a decrease of .00147 percent from its proportionate share measured as of June 30, 2021 of .22615 percent.

**Actuarial Assumptions**

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

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%

***Mortality Rates***

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 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 actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

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

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF 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 based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

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

***Sensitivity of Net Pension Liability***

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

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 135,923,013</u>	<u>\$ 115,923,710</u>	<u>\$ 99,076,810</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2022. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2022 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

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

**E. Post-Retirement Medical Benefits**

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

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

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

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

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2021:

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

**Measurement Focus and Basis of Accounting**

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

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

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2022 is \$50.6 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2022 were determined based on actuarial valuations as of June 30, 2021 which were rolled forward to June 30, 2022.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Actuarial Methods and Assumptions**

In the June 30, 2021 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.33 billion to the OPEB plan in fiscal year 2022.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2023, 2022 and 2021 were \$2,458,407, \$2,191,526 and \$2,099,412, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2021 through June 30, 2022. Nonemployer allocation percentages have been rounded for presentation purposes.

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

For the fiscal year ended June 30, 2023, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$3,949,711. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2023 the State's proportionate share of the OPEB liability attributable to the District is \$85,126,922. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2022. At June 30, 2022, the state's share of the OPEB liability attributable to the District was .16808 percent, which was a decrease of .00077 percent from its proportionate share measured as of June 30, 2020 of .16885 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Actuarial Assumptions**

The OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55% Based on Years of Service	2.75% to 4.25% Based on Years of Service

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

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

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

**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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2021 Measurement Date	\$ <u>101,326,998</u>
Changes Recognized for the Fiscal Year:	
Service Cost	5,356,800
Interest on the Total OPEB Liability	2,255,957
Differences Between Expected and Actual Experience	1,186,133
Changes of Assumptions	(22,836,061)
Gross Benefit Payments	(2,234,592)
Contributions from the Member	<u>71,687</u>
Net Changes	<u>(16,200,076)</u>
Balance, June 30, 2022 Measurement Date	\$ <u>85,126,922</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% in 2021 to 3.54% in 2022.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022.

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.54%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54% percent) or 1-percentage-point higher (4.54% percent) than the current rate:

	1% Decrease ( <u>2.54%</u> )	Current Discount Rate ( <u>3.54%</u> )	1% Increase ( <u>4.54%</u> )
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>100,057,742</u>	\$ <u>85,126,922</u>	\$ <u>73,160,616</u>



**WESTWOOD REGIONAL SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

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

**Sensitivity of OPEB Liability (Continued)**

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

	<u>1%</u> <u>Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1%</u> <u>Increase</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>70,362,604</u>	\$ <u>85,126,922</u>	\$ <u>104,520,750</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2022 were not provided by the pension system.

**F. Tax Abatements**

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

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

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS (Continued)**

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$2,536,353 in federal aid to address the effects of the COVID-19 pandemic.

**REQUIRED SUPPLEMENTARY INFORMATION PART II**

**BUDGETARY COMPARISON SCHEDULES**

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 56,915,314		\$ 56,915,314	\$ 56,915,314	
Tuition	150,000		150,000	229,738	\$ 79,738
Rents and Royalties	21,000		21,000	23,607	2,607
Interest on Investments	66,120		66,120	679,450	613,330
Interest on Capital Reserve	10,000		10,000	481,884	471,884
Interest on Unemployment Reserve				25,569	25,569
Unrestricted Miscellaneous Revenue	36,289	-	36,289	66,332	30,043
<b>Total Local Sources</b>	<b>57,198,723</b>	<b>-</b>	<b>57,198,723</b>	<b>58,421,894</b>	<b>1,223,171</b>
<b>State Sources</b>					
Special Education Aid	2,672,066		2,672,066	2,672,066	
Transportation Aid	422,522		422,522	422,522	
Security Aid	55,037		55,037	55,037	
Extraordinary Aid				1,220,837	1,220,837
Additional Nonpublic Transportation Aid				36,192	36,192
TPAF Pension System Contribution (Normal Costs) (Non-Budgeted)				9,230,258	9,230,258
TPAF Pension System Contribution (NCGI) (Non-Budgeted)				128,059	128,059
TPAF Pension System Contribution (Post-Retirement Medical Contribution) (Non-Budgeted)				2,458,407	2,458,407
TPAF Pension System Contribution (LTDI) (Non-Budgeted)				4,183	4,183
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	1,972,068	1,972,068
<b>Total State Sources</b>	<b>3,149,625</b>	<b>-</b>	<b>3,149,625</b>	<b>18,199,629</b>	<b>15,050,004</b>
<b>Federal Sources</b>					
Medicaid Reimbursement	3,742	-	3,742	9,806	6,064
<b>Total Federal Sources</b>	<b>3,742</b>	<b>-</b>	<b>3,742</b>	<b>9,806</b>	<b>6,064</b>
<b>Total Revenues</b>	<b>60,352,090</b>	<b>-</b>	<b>60,352,090</b>	<b>76,631,329</b>	<b>16,279,239</b>
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES</b>					
<b>Instruction - Regular Programs</b>					
<b>Salaries of Teachers</b>					
Kindergarten	950,257	\$ 37,587	987,844	967,415	20,429
Grades 1-5	5,725,470	(37,587)	5,687,883	5,659,755	28,128
Grades 6-8	4,122,548	(119,900)	4,002,648	3,974,004	28,644
Grades 9-12	5,732,067	(56,898)	5,675,169	5,660,882	14,287
<b>Regular Programs - Home Instruction</b>					
Salaries of Teachers	50,000	34,663	84,663	84,663	
Purchased Professional/Educational Services	21,500	(12,350)	9,150	5,436	3,714
<b>Regular Programs - Undistributed Instruction</b>					
Purchased Professional/Educational Services	4,000	(1,600)	2,400	2,400	
Purchased Technical Services	2,500	(2,500)			
Other Purchased Services	169,550	111,714	281,264	280,922	342
General Supplies	406,100	85,059	491,159	456,189	34,970
Textbooks	245,000	(2,182)	242,818	242,005	813
Other Objects	12,100	2,909	15,009	12,954	2,055
<b>Total Regular Programs</b>	<b>17,441,092</b>	<b>38,915</b>	<b>17,480,007</b>	<b>17,346,625</b>	<b>133,382</b>
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	330,388		330,388	328,181	2,207
Other Salaries for Instruction	165,000	16,000	181,000	180,951	49
Purchased Professional/Educational Services	20,000		20,000	410	19,590
General Supplies	37,800	(6,878)	30,922	12,168	18,754
Other Objects	500	-	500	-	500
<b>Total Learning and/or Language Disabilities</b>	<b>553,688</b>	<b>9,122</b>	<b>562,810</b>	<b>521,710</b>	<b>41,100</b>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Behavioral Disabilities					
Salaries of Teachers	\$ 253,461	\$ (16,000)	\$ 237,461	\$ 229,045	\$ 8,416
Purchased Professional/Educational Services	115,000	5,500	120,500	102,363	18,137
General Supplies	7,750	-	7,750	-	7,750
<b>Total Behavioral Disabilities</b>	<b>376,211</b>	<b>(10,500)</b>	<b>365,711</b>	<b>331,408</b>	<b>34,303</b>
Resource Room/Resource Center					
Salaries of Teachers	3,351,289	37,749	3,389,038	3,388,414	624
Purchased Professional Educational Services	20,000	(4,070)	15,930	7,650	8,280
General Supplies	25,000	(14,204)	10,796	10,762	34
<b>Total Resource Room/Resource Center</b>	<b>3,396,289</b>	<b>19,475</b>	<b>3,415,764</b>	<b>3,406,826</b>	<b>8,938</b>
Autism					
Salaries of Teachers	168,797		168,797	148,572	20,225
Other Salaries for Instruction	271,360		271,360	257,190	14,170
Purchased Professional Educational Services	12,000		12,000	4,200	7,800
General Supplies	20,000	10,357	30,357	28,757	1,600
Other Objects	1,000	-	1,000	-	1,000
<b>Total Autism</b>	<b>473,157</b>	<b>10,357</b>	<b>483,514</b>	<b>438,719</b>	<b>44,795</b>
Preschool Disabilities - Part-Time					
Salaries of Teachers	226,946	4,170	231,116	231,116	
Other Salaries for Instruction	124,500	(1,055)	123,445	123,444	1
Purchased Professional Educational Services	2,000		2,000		2,000
General Supplies	12,000	-	12,000	4,500	7,500
<b>Total Preschool Disabilities - Part-Time</b>	<b>365,446</b>	<b>3,115</b>	<b>368,561</b>	<b>359,060</b>	<b>9,501</b>
Preschool Disabilities - Full-Time					
Salaries of Teachers	208,885	(2,239)	206,646	200,509	6,137
Other Salaries for Instruction	192,930	2,239	195,169	195,169	-
General Supplies	18,750	-	18,750	433	18,317
<b>Total Preschool Disabilities - Full-Time</b>	<b>420,565</b>	<b>-</b>	<b>420,565</b>	<b>396,111</b>	<b>24,454</b>
Home Instruction					
Purchased Professional Educational Services	35,000	-	35,000	13,629	21,371
<b>Total Home Instruction</b>	<b>35,000</b>	<b>-</b>	<b>35,000</b>	<b>13,629</b>	<b>21,371</b>
<b>Total Special Education</b>	<b>5,620,356</b>	<b>31,569</b>	<b>5,651,925</b>	<b>5,467,463</b>	<b>184,462</b>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	857,073	-	857,073	709,707	147,366
<b>Total Basic Skills/Remedial</b>	<b>857,073</b>	<b>-</b>	<b>857,073</b>	<b>709,707</b>	<b>147,366</b>
Bilingual Education - Instruction					
Salaries of Teachers	370,661	160	370,821	365,296	5,525
<b>Total Bilingual Education</b>	<b>370,661</b>	<b>160</b>	<b>370,821</b>	<b>365,296</b>	<b>5,525</b>
School Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	203,700		203,700	155,465	48,235
Purchased Services	6,800	11,470	18,270	17,504	766
Supplies and Materials	13,250	6,990	20,240	19,596	644
Other Objects	1,020	(605)	415	415	-
<b>Total School Sponsored Co/Extra Curricular Activities</b>	<b>224,770</b>	<b>17,855</b>	<b>242,625</b>	<b>192,980</b>	<b>49,645</b>

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

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
School Sponsored Athletics - Instruction					
Salaries	\$ 712,897	-	\$ 712,897	\$ 543,870	\$ 169,027
Purchased Services	73,545	\$ 10,975	84,520	72,338	12,182
Supplies and Materials	3,000	-	3,000	150	2,850
Other Objects	205,575	15,251	220,826	203,252	17,574
<b>Total School Sponsored Athletics</b>	<b>995,017</b>	<b>26,226</b>	<b>1,021,243</b>	<b>819,610</b>	<b>201,633</b>
Before/After School Programs - Instruction					
Salaries of Teacher Tutors	41,500	(41,500)	-	-	-
<b>Total Before/After School Programs</b>	<b>41,500</b>	<b>(41,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Instruction</b>	<b>25,550,469</b>	<b>73,225</b>	<b>25,623,694</b>	<b>24,901,681</b>	<b>722,013</b>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within the State - Special	765,011	79,118	844,129	809,651	34,478
Tuition to Co. Voc. School Dist. - Reg.	381,123	45,135	426,258	412,102	14,156
Tuition to Co. Voc. School Dist - Special	746,037	115,380	861,417	716,630	144,787
Tuition to CSSD and Regional Day Schools	719,313	(227,826)	491,487	471,167	20,320
Tuition to Priv. Sch. for the Disabled - State	36,000	(3,444)	32,556	31,209	1,347
Tuition to Priv. Sch. Disabled & Other LEAs - Out State	61,944	-	61,944	61,944	-
Tuition - Other	23,056	13,637	36,693	36,693	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>2,732,484</b>	<b>22,000</b>	<b>2,754,484</b>	<b>2,539,396</b>	<b>215,088</b>
Attendance and Social Work					
Salaries	1,600	(156)	1,444	-	1,444
<b>Total Attendance and Social Work</b>	<b>1,600</b>	<b>(156)</b>	<b>1,444</b>	<b>-</b>	<b>1,444</b>
Health Services					
Salaries	703,595	156	703,751	697,750	6,001
Purchased Professional and Technical Services	40,000	(1,319)	38,681	37,812	869
Other Purchased Services	-	744	744	744	-
Supplies and Materials	21,400	575	21,975	19,417	2,558
<b>Total Health Services</b>	<b>764,995</b>	<b>156</b>	<b>765,151</b>	<b>755,723</b>	<b>9,428</b>
Speech, OT, PT and Related Services					
Salaries	904,208	(7,964)	896,244	827,592	68,652
Purchased Prof. Ed. Services	205,775	-	205,775	153,940	51,835
Supplies and Materials	24,000	-	24,000	8,470	15,530
<b>Total Speech, OT, PT and Related Services</b>	<b>1,133,983</b>	<b>(7,964)</b>	<b>1,126,019</b>	<b>990,002</b>	<b>136,017</b>
Other Support Services - Students - Extraordinary Serv.					
Salaries	2,086,752	(16,851)	2,069,901	1,400,159	669,742
Purchased Prof. Ed. Services	1,358,422	(50,046)	1,308,376	828,745	479,631
Supplies and Materials	45,000	(24,818)	20,182	9,769	10,413
<b>Total Other Supp.Serv. Student - Extraordinary Serv.</b>	<b>3,490,174</b>	<b>(91,715)</b>	<b>3,398,459</b>	<b>2,238,673</b>	<b>1,159,786</b>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 1,057,537	\$ (1,855)	\$ 1,055,682	\$ 1,044,336	\$ 11,346
Salaries of Secretarial & Clerical Assistants	181,239	200	181,439	181,426	13
Purchased Professional-Educational Services	13,900	(2,500)	11,400	5,761	5,639
Other Purchased Services	6,000	-	6,000	3,667	2,333
Supplies and Materials	14,290	208	14,498	10,537	3,961
Other Objects	400	-	400	400	-
<b>Total Guidance</b>	<b>1,273,366</b>	<b>(3,947)</b>	<b>1,269,419</b>	<b>1,246,127</b>	<b>23,292</b>
Child Study Teams					
Salaries of Other Professional Staff	979,296	42,457	1,021,753	1,021,752	1
Salaries of Secretarial & Clerical Assistants	217,023	5,876	222,899	222,898	1
Purchased Professional/Educational Services	235,000	(31,694)	203,306	39,276	164,030
Other Purchased Services	25,000	-	25,000	6,491	18,509
Supplies and Materials	34,000	(4,692)	29,308	11,792	17,516
Other Objects	10,915	-	10,915	3,884	7,031
<b>Total Child Study Teams</b>	<b>1,501,234</b>	<b>11,947</b>	<b>1,513,181</b>	<b>1,306,093</b>	<b>207,088</b>
Improvement of Instr. Services					
Salaries of Supervisors of Instruction	354,664	-	354,664	305,533	49,131
Salaries of Other Professional Staff	117,451	70,600	188,051	186,576	1,475
Other Salaries	18,240	-	18,240	16,787	1,453
<b>Total Other Support Services - Impvt. of Instructional Staff</b>	<b>569,684</b>	<b>78,600</b>	<b>648,284</b>	<b>587,994</b>	<b>60,290</b>
Educational Media/School Library					
Salaries	355,451	-	355,451	282,578	72,873
Salaries of Technology Coordinators	506,767	7,921	514,688	509,978	4,710
Purchased Professional and Technical Services	251,480	(31,670)	219,810	212,749	7,061
Other Purchased Services	10,000	(10)	9,990	918	9,072
Supplies and Materials	434,550	(26,888)	407,662	201,563	206,099
Other Objects	500	-	500	-	500
<b>Total Educational Media/School Library</b>	<b>1,558,748</b>	<b>(50,647)</b>	<b>1,508,101</b>	<b>1,207,786</b>	<b>300,315</b>
Instructional Staff Training Services					
Other Salaries	13,750	-	13,750	6,855	6,895
Purchased Professional-Educational Services	121,000	(32,965)	88,035	30,978	57,057
Teaching Staff Prof.	166,530	(17,444)	149,086	78,913	70,173
Supplies and Materials	-	4,853	4,853	4,852	1
<b>Total Instructional Staff Training Services</b>	<b>301,280</b>	<b>(45,556)</b>	<b>255,724</b>	<b>121,598</b>	<b>134,126</b>
Support Services General Administration					
Salaries	660,165	96,981	757,146	757,146	-
Legal Services	150,000	-	150,000	123,180	26,820
Audit Fees	38,600	43,211	81,811	40,811	41,000
Architectural/Engineering Services	270,000	18,200	288,200	41,985	246,215
Other Purchased Professional Services	30,000	13,608	43,608	19,438	24,170
Purchased Technical Services	34,000	(4,496)	29,504	20,960	8,544
Communications/Telephone	223,000	-	223,000	146,442	76,558
BOE Other Purchased Services	36,500	(8,318)	28,182	10,278	17,904
Miscellaneous Purchased Services	80,000	13,746	93,746	32,225	61,521
General Supplies	15,000	(9,829)	5,171	5,171	-
BOE In-House Training/Meeting Supplies	4,500	-	4,500	-	4,500
Judgments Against the School District	50,000	14,407	64,407	18,508	45,899
Miscellaneous Expenditures	20,000	3,070	23,070	18,685	4,385
BOE Membership Dues and Fees	25,000	-	25,000	21,201	3,799
<b>Total Support Services General Administration</b>	<b>1,636,765</b>	<b>180,580</b>	<b>1,817,345</b>	<b>1,256,030</b>	<b>561,315</b>



**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,636,050	\$ 16,755	\$ 1,652,805	\$ 1,652,681	\$ 124
Salaries of Other Professional Staff	273,360	(29,996)	243,364	243,363	1
Salaries of Secretarial and Clerical Assistants	566,656	(22,150)	544,506	544,505	1
Purchased Technical Services	60,000	(15,462)	44,538	16,549	27,989
Other Purchased Services		16,657	16,657	15,590	1,067
Supplies and Materials	25,550	469	26,019	23,876	2,143
Other Objects	7,900	-	7,900	1,647	6,253
<b>Total Support Services School Administration</b>	<b>2,569,516</b>	<b>(33,727)</b>	<b>2,535,789</b>	<b>2,498,211</b>	<b>37,578</b>
Central Services					
Salaries	604,857	26,100	630,957	630,950	7
Purchased Professional Services	64,653		64,653	57,769	6,884
Purchased Technical Services	11,000	(2,000)	9,000	2,305	6,695
Misc. Purchased Services	2,000	2,000	4,000	1,980	2,020
Supplies and Materials	15,000	1,187	16,187	14,659	1,528
Miscellaneous Expenditures	5,000	(765)	4,235	779	3,456
<b>Total Central Services</b>	<b>702,510</b>	<b>26,522</b>	<b>729,032</b>	<b>708,442</b>	<b>20,590</b>
Admin Info. Tech.					
Salaries	149,994	6	150,000	150,000	
Purchased Professional Services	1,300	48	1,348	1,347	1
Purchased Technical Services	155,870	(27,422)	128,448	127,195	1,253
Other Purchased Services	4,000		4,000	3,155	845
Supplies and Materials	26,000	-	26,000	23,657	2,343
<b>Total Admin Info. Tech.</b>	<b>337,164</b>	<b>(27,368)</b>	<b>309,796</b>	<b>305,354</b>	<b>4,442</b>
Required Maintenance for School Facilities					
Salaries	450,658	(62,655)	388,003	365,406	22,597
Cleaning, Repair & Maintenance Services	433,000	(28,643)	404,357	351,547	52,810
General Supplies	265,200	35,335	300,535	266,841	33,694
<b>Total Allowable Maintenance for School Facilities</b>	<b>1,148,858</b>	<b>(55,963)</b>	<b>1,092,895</b>	<b>983,794</b>	<b>109,101</b>
Custodial Services					
Salaries	1,515,987	36,555	1,552,542	1,551,018	1,524
Salaries of Non-Instructional Aides	110,000		110,000	93,159	16,841
Cleaning, Repair and Maintenance Services	181,100	(36,321)	144,779	126,336	18,443
Other Purchased Property Services	62,000	28,034	90,034	77,145	12,889
Insurance	461,027	11,866	472,893	472,893	
Misc. Purchased Services	4,000		4,000	1,493	2,507
General Supplies	193,600	(35,105)	158,495	112,064	46,431
Energy (Natural Gas)	265,500	67,658	333,158	255,050	78,108
Energy (Electricity)	645,000	30,154	675,154	447,991	227,163
Energy (Gasoline)	52,000	(15,000)	37,000	29,456	7,544
Other Objects	1,000	(100)	900	800	100
<b>Total Custodial Services</b>	<b>3,491,214</b>	<b>87,741</b>	<b>3,578,955</b>	<b>3,167,405</b>	<b>411,550</b>
Care and Upkeep of Grounds					
Salaries	190,773		190,773	182,812	7,961
Cleaning, Repair & Maintenance Svc.	135,150	(54,858)	80,292	32,162	48,130
General Supplies	81,600	477	82,077	61,036	21,041
<b>Total Care and Upkeep of Grounds</b>	<b>407,523</b>	<b>(54,381)</b>	<b>353,142</b>	<b>276,010</b>	<b>77,132</b>
Security					
Salaries	13,000		13,000	13,000	
Purchased Professional and Technical Services	220,000	140,595	360,595	311,388	49,207
Cleaning, Repair & Maintenance Svc.	99,200	3,040	102,240	61,533	40,707
Travel - All Other	600		600		600
General Supplies	91,400	35,735	127,135	37,949	89,186
Other Objects	22,200	-	22,200	22,146	54
<b>Total Security</b>	<b>446,400</b>	<b>179,370</b>	<b>625,770</b>	<b>446,016</b>	<b>179,754</b>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CURRENT EXPENDITURES (Continued)</b>					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 50,000		\$ 50,000	\$ 15,042	\$ 34,958
Sal. For Pupil Trans (Between Home & Sch)-Reg.	30,000		30,000	19,476	10,524
Sal. For Pupil Trans (Between Home & Sch)-Spec. Ed	131,269	\$ (29,400)	101,869	86,363	15,506
Sal. For Pupil Trans (Other than Between Home & Sch)	20,000	29,400	49,400	48,139	1,261
Cleaning, Repair & Maint. Services	80,000	(23,500)	56,500	37,529	18,971
Contracted Services - Aid In Lieu of Payments-Non Public	150,000	(20,000)	130,000	113,050	16,950
Contracted Services (Between Home and School) - Vendors	420,000	167,680	587,680	461,580	126,100
Contracted Services (Other Than Between Home and School) - Vendors	115,000	(4,216)	110,784	65,355	45,429
Contracted Services (Special Ed. Students) - Vendors	602,000	408,436	1,010,436	964,966	45,470
Other Objects	34,000	(29,000)	5,000	3,981	1,019
<b>Total Student Transportation Services</b>	<b>1,632,269</b>	<b>499,400</b>	<b>2,131,669</b>	<b>1,815,481</b>	<b>316,188</b>
Unallocated Benefits- Employee Benefits					
Group Insurance	20,400		20,400	9,492	10,908
Social Security Contributions	630,000	41,247	671,247	666,894	4,353
Other Retirement Contrib. - PERS	650,000	83,739	733,739	733,739	
Other Retirement Contrib. - Regular	50,000	7,550	57,550	56,304	1,246
Unemployment Compensation	50,000	(50,000)			
Workmen's Compensation	310,680	(103,305)	207,375	206,698	677
Health Benefits	8,971,000	(584,370)	8,386,630	8,264,022	122,608
Tuition Reimbursement	70,000		70,000	36,309	33,691
Other Employee Benefits	20,000	51,273	71,273	71,272	1
<b>Total Unallocated Benefits</b>	<b>10,772,080</b>	<b>(553,866)</b>	<b>10,218,214</b>	<b>10,044,730</b>	<b>173,484</b>
TPAF Pension System Contribution (Normal Costs)					
(Non-Budgeted)				9,230,258	(9,230,258)
TPAF Pension System Contribution (NCGI)					
(Non-Budgeted)				128,059	(128,059)
TPAF Pension Systems Contribution (Post Retirement Medical Contributions)(Non-Budgeted)					
				2,458,407	(2,458,407)
TPAF Pension System Contribution (LTDI)					
(Non-Budgeted)				4,183	(4,183)
Reimbursed TPAF Social Security Reimbursements					
(Non-Budgeted)	-	-	-	1,972,068	(1,972,068)
<b>Total On-Behalf TPAF Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,792,975</b>	<b>(13,792,975)</b>
<b>Total Undistributed Expenditures</b>	<b>36,471,847</b>	<b>161,026</b>	<b>36,632,873</b>	<b>46,287,840</b>	<b>(9,654,967)</b>
<b>Total Current Expenditures</b>	<b>62,022,316</b>	<b>234,251</b>	<b>62,256,567</b>	<b>71,189,521</b>	<b>(8,932,954)</b>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
<b>EXPENDITURES</b>					
<b>CAPITAL OUTLAY</b>					
Equipment					
Instruction					
Autism		\$ 6,500	\$ 6,500	\$ 6,500	
School-Sponsored and Other Instructional Program Related and Extra Services	\$ 15,000	5,481	20,481	11,890	\$ 8,591
Instructional Staff Training Services	26,785	34,103	60,888	57,054	3,834
Admin Info Tech	12,700	(12,361)	339	-	339
Required Maintenance for School Facilities	67,600	153,588	153,588	151,466	2,122
Security	69,800	190,492	258,092	165,533	92,559
School Buses - Regular	130,000	69,800	69,800	69,800	-
Non-Instructional Services	4,000	111,898	241,898	111,898	130,000
	4,000	-	4,000	-	4,000
<b>Total Equipment</b>	<b>325,885</b>	<b>489,701</b>	<b>815,586</b>	<b>504,341</b>	<b>311,245</b>
Facilities Acquisition and Construction Serv.					
Architectural/Engineering Services	286,598	18,069	304,667	139,570	165,097
Construction Services	3,240,500	2,108,122	5,348,622	2,001,492	3,347,130
Assessment for Debt Service on SDA Funding	769	-	769	769	-
<b>Total Facilities Acquisition and Construction Serv.</b>	<b>3,527,867</b>	<b>2,126,191</b>	<b>5,654,058</b>	<b>2,141,831</b>	<b>3,512,227</b>
Interest Deposit to Capital Reserve	10,000	-	10,000	-	10,000
<b>Total Capital Outlay</b>	<b>3,863,752</b>	<b>2,615,892</b>	<b>6,479,644</b>	<b>2,646,172</b>	<b>3,833,472</b>
<b>Total Expenditures</b>	<b>65,886,068</b>	<b>2,850,143</b>	<b>68,736,211</b>	<b>73,835,693</b>	<b>(5,099,482)</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(5,533,978)	(2,850,143)	(8,384,121)	2,795,636	11,179,757
Other Financing Sources (Uses)					
Transfer from Capital Projects Fund	-	-	-	439,362	439,362
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>439,362</b>	<b>439,362</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,533,978)	(2,850,143)	(8,384,121)	3,234,998	11,619,119
Fund Balance, Beginning of Year	30,016,179	-	30,016,179	30,016,179	-
<b>Fund Balance, End of Year</b>	<b>\$ 24,482,201</b>	<b>\$ (2,850,143)</b>	<b>\$ 21,632,058</b>	<b>\$ 33,251,177</b>	<b>\$ 11,619,119</b>
<b>Recapitulation:</b>					
Restricted Fund Balance					
Capital Reserve				\$ 14,321,374	
Capital Reserve-Designated for Subsequent Year's Expenditures - 2023/2024				3,970,000	
Maintenance Reserve				2,500,000	
Emergency Reserve				394,195	
Unemployment Compensation Reserve				679,827	
Excess Surplus-Designated for Subsequent Year's Expenditures - 2023/2024				1,500,000	
Excess Surplus				1,500,000	
Committed Fund Balance					
Year-End Encumbrances				2,771,196	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures - 2023/2024				2,213,521	
Year-End Encumbrances				943,181	
Unassigned Fund Balance				2,457,883	
				<u>33,251,177</u>	
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Less:					
2022/2023 Extraordinary Aid Not Recognized on a GAAP Basis			\$ (1,220,837)		
2022/2023 State Aid Not Recognized on a GAAP Basis			(231,439)		
				<u>(1,452,276)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 31,798,901</u>	

**WESTWOOD REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
<b>REVENUES</b>					
State Sources	\$ 363,426	\$ 51,027	\$ 414,453	\$ 387,773	\$ (26,680)
Federal Sources	2,462,326	537,994	3,000,320	2,689,869	(310,451)
Local	-	70,379	70,379	623,945	553,566
<b>Total Revenues</b>	<u>2,825,752</u>	<u>659,400</u>	<u>3,485,152</u>	<u>3,701,587</u>	<u>216,435</u>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries of Teachers	167,735	75,605	243,340	226,322	17,018
Purchased Professional and Technical Services	66,921	102,103	169,024	138,925	30,099
Tuition	830,370	708	831,078	831,078	
Other Purchased Services		1,860	1,860		1,860
General Supplies	208,585	69,145	277,730	215,614	62,116
Textbooks		34,699	34,699	34,699	-
Student Activities and Athletics (Non-Budget)	-	-	-	594,127	(594,127)
<b>Total Instruction</b>	<u>1,273,611</u>	<u>284,120</u>	<u>1,557,731</u>	<u>2,040,765</u>	<u>(483,034)</u>
<b>Support Services</b>					
Other Salaries	35,621	28,366	63,987	63,987	
Personal Services - Employee Benefits	-	119,284	119,284	102,092	17,192
Purchased Professional and Technical Services	87,920	443,042	530,962	280,893	250,069
Other Purchased Services		31,505	31,505	25,107	6,398
Supplies and Materials		78,585	78,585	75,828	2,757
Indirect Costs		310	310		310
Scholarship Awards (Non-Budget)	-	-	-	19,475	(19,475)
<b>Total Support Services</b>	<u>123,541</u>	<u>701,092</u>	<u>824,633</u>	<u>567,382</u>	<u>257,251</u>
<b>Facilities Acquisition and Construction Services</b>					
<b>Equipment</b>					
Non-Instructional	1,428,600	(325,812)	1,102,788	1,102,788	-
<b>Total Facilities Acquisition and Construction Services</b>	<u>1,428,600</u>	<u>(325,812)</u>	<u>1,102,788</u>	<u>1,102,788</u>	<u>-</u>
<b>Total Expenditures</b>	<u>2,825,752</u>	<u>659,400</u>	<u>3,485,152</u>	<u>3,710,935</u>	<u>(225,783)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(9,348)	(9,348)
Fund Balances, Beginning of Year	441,373	-	441,373	422,498	-
Fund Balances, End of Year	<u>\$ 441,373</u>	<u>\$ -</u>	<u>\$ 441,373</u>	<u>\$ 413,150</u>	<u>\$ (9,348)</u>
<b>Recapitulation:</b>					
Restricted Fund Balance					
Scholarship Awards				\$ 161,677	
Student Activities and Athletics				<u>251,473</u>	
				<u>\$ 413,150</u>	

**WESTWOOD REGIONAL SCHOOL DISTRICT  
GENERAL AND SPECIAL REVENUE FUNDS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

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

		<b>General Fund</b>		<b>Special Revenue Fund</b>
<b>Sources/Inflows of Resources</b>				
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule	(C-1) \$	76,631,329	(C-2) \$	3,701,587
<b>Difference - Budget to GAAP</b>				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Encumbrances, June 30, 2022				432,499
Encumbrances, June 30, 2023				(1,380,098)
Certain State Aid payments recognized for GAAP purposes, not recognized for budgetary statements. (2022/2023 State Aid)		(1,452,276)		
Certain State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2021/2022 State Aid)		<u>1,371,547</u>		<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$	<u>76,550,600</u>	\$	<u>2,753,988</u>
<b>Uses/Outflows of Resources</b>				
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule	(C-1) \$	73,835,693	(C-2) \$	3,710,935
<b>Differences - Budget to GAAP</b>				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the supplies are received for financial reporting purposes				
Encumbrances, June 30, 2022				432,499
Encumbrances, June 30, 2023		<u>-</u>		<u>(1,380,098)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$	<u>73,835,693</u>	(B-2) \$	<u>2,763,336</u>

**REQUIRED SUPPLEMENTARY INFORMATION PART III**

**PENSION INFORMATION**  
**AND**  
**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

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

**Public Employees Retirement System**

Last Ten Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	0.05818%	0.05356%	0.05334%	0.05233%	0.05296%	0.05133%	0.04923%	0.05184%	0.05286%	0.05025%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 8,780,896	\$ 6,344,865	\$ 8,698,960	\$ 9,430,281	\$ 10,428,849	\$ 11,949,617	\$ 14,581,071	\$ 11,639,209	\$ 9,897,582	\$ 9,605,283
District's Covered-Employee Payroll	\$ 4,187,724	\$ 4,187,666	\$ 3,908,422	\$ 3,727,505	\$ 3,578,807	\$ 3,445,724	\$ 3,395,633	\$ 3,426,258	\$ 3,575,863	\$ 3,536,307
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	210%	152%	223%	253%	291%	347%	429%	339%	277%	272%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68.

WESTWOOD REGIONAL SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 733,739	\$ 627,238	\$ 583,555	\$ 509,082	\$ 526,846	\$ 475,550	\$ 437,369	\$ 445,768	\$ 436,163	\$ 378,683
Contributions in Relation to the Contractually Required Contribution	<u>733,739</u>	<u>627,238</u>	<u>583,555</u>	<u>509,082</u>	<u>526,846</u>	<u>475,550</u>	<u>437,369</u>	<u>445,768</u>	<u>436,163</u>	<u>376,683</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 4,133,637	\$ 4,187,724	\$ 4,187,666	\$ 3,908,422	\$ 3,578,807	\$ 3,445,724	\$ 3,395,633	\$ 3,426,258	\$ 3,426,258	\$ 3,575,863
Contributions as a Percentage of Covered-Employee Payroll	17.75%	14.98%	13.94%	13.03%	14.72%	13.80%	12.88%	13.01%	12.20%	10.65%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68.



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

**Teachers Pension and Annuity Fund**

**Last Ten Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 115,923,710</u>	<u>\$ 108,724,887</u>	<u>\$ 150,839,359</u>	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
<b>Total</b>	<u>\$ 115,923,710</u>	<u>\$ 108,724,887</u>	<u>\$ 150,839,359</u>	<u>\$ 134,470,669</u>	<u>\$ 135,194,863</u>	<u>\$ 133,763,993</u>	<u>\$ 160,852,300</u>	<u>\$ 124,770,765</u>	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
District's Covered-Employee Payroll	\$ 26,418,798	\$ 25,609,535	\$ 24,959,380	\$ 24,717,953	\$ 24,048,741	\$ 22,722,196	\$ 20,732,635	\$ 20,151,772	\$ 20,246,792	\$ 19,700,425
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68.

**WESTWOOD REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Change of Benefit Terms:** None.

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

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

**Postemployment Health Benefit Plan**

**Last Six Fiscal Years\***

	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>						
Service Cost	\$ 5,356,800	\$ 6,181,587	\$ 3,469,822	\$ 3,150,922	\$ 3,472,423	\$ 4,208,442
Interest on Total OPEB Liability	2,255,957	2,628,529	2,538,783	2,979,848	3,150,037	2,705,826
Changes of Benefit Terms		\$ (107,850)				
Differences Between Expected and Actual Experience	1,186,133	(19,810,983)	19,351,248	(9,946,124)	(6,691,190)	
Changes of Assumptions	(22,836,061)	99,967	20,885,823	1,044,058	(8,592,938)	(11,292,547)
Gross Benefit Payments	(2,234,592)	(2,070,545)	(1,990,549)	(2,149,517)	(2,002,284)	(2,310,229)
Contribution from the Member	71,687	67,199	60,333	63,718	69,202	85,068
<b>Net Change in Total OPEB Liability</b>	<b>(16,200,076)</b>	<b>(13,012,096)</b>	<b>44,315,460</b>	<b>(4,857,095)</b>	<b>(10,594,750)</b>	<b>(6,603,440)</b>
<b>Total OPEB Liability - Beginning</b>	<b>101,326,998</b>	<b>114,339,094</b>	<b>70,023,634</b>	<b>74,880,729</b>	<b>85,475,479</b>	<b>92,078,919</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 85,126,922</b>	<b>\$ 101,326,998</b>	<b>\$ 114,339,094</b>	<b>\$ 70,023,634</b>	<b>\$ 74,880,729</b>	<b>\$ 85,475,479</b>
District's Proportionate Share of OPEB Liability			\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	85,126,922	101,326,998	114,339,094	70,023,634	74,880,729	85,475,479
<b>Total OPEB Liability - Ending</b>	<b>\$ 85,126,922</b>	<b>\$ 101,326,998</b>	<b>\$ 114,339,094</b>	<b>\$ 70,023,634</b>	<b>\$ 74,880,729</b>	<b>\$ 85,475,479</b>
District's Covered-Employee Payroll	\$ 30,606,522	\$ 29,797,201	\$ 28,867,802	\$ 28,445,458	\$ 28,445,458	\$ 26,167,920
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%

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

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

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

WESTWOOD REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

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

**SCHOOL LEVEL SCHEDULES**

**(General Fund)**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

WESTWOOD REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

REVENUES	IDEA		ESEA		SDA		CARES Emergency Relief	Local Grants	Subtotal Dep. Pass. 2	Total
	Base	ARC-Fresh	ARC-Fresh	ARC-Fresh	ARC-Fresh	ARC-Fresh				
Innovative										
State										
Federal										
Local										
<b>Total Revenues</b>	<b>758,617</b>	<b>12,296</b>	<b>34,488</b>	<b>9,728</b>	<b>104,873</b>	<b>13,195</b>	<b>866</b>	<b>44,137</b>	<b>44,137</b>	<b>320,887</b>
Instruction										
Salaries of Teachers										
Other Salaries										
Professional and Technical Services										
Tuition										
General Supplies										
Textbooks										
Student Activities and Athletics										
<b>Total Instruction</b>	<b>758,617</b>	<b>12,296</b>	<b>34,488</b>	<b>9,728</b>	<b>104,873</b>	<b>13,195</b>	<b>866</b>	<b>44,137</b>	<b>44,137</b>	<b>320,887</b>
Support Services										
Contractual Services - Employee Benefits										
Program Administration										
Purchased Professional and Technical Services										
Other Purchased Services										
Supplies and Materials										
Scholarship Awards										
Interest Costs										
<b>Total Support Services</b>	<b>7,729</b>	<b>12,296</b>	<b>34,488</b>	<b>9,728</b>	<b>104,873</b>	<b>13,195</b>	<b>866</b>	<b>44,137</b>	<b>44,137</b>	<b>186,528</b>
Facilities Acquisition and Construction Services										
Equipment										
Non-Instructional										
<b>Total Facilities Acquisition and Construction Services</b>	<b>7,729</b>	<b>12,296</b>	<b>34,488</b>	<b>9,728</b>	<b>104,873</b>	<b>13,195</b>	<b>866</b>	<b>44,137</b>	<b>44,137</b>	<b>186,528</b>
<b>Total Expenditures</b>	<b>758,617</b>	<b>12,296</b>	<b>34,488</b>	<b>9,728</b>	<b>104,873</b>	<b>13,195</b>	<b>866</b>	<b>44,137</b>	<b>44,137</b>	<b>320,887</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures										
Fund Balance, Beginning of Year										
Fund Balance, End of Year										





**WESTWOOD REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION PROGRAM AID  
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOT APPLICABLE

**CAPITAL PROJECTS FUND**

WESTWOOD REGIONAL SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Cancelled</u>		<u>Unexpended Balance, June 30, 2023</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year</u>	
High School Façade Replacement	\$ 3,623,890	\$ 3,601,320			\$ 22,570	
High School Partial Roof Replacement	2,760,152	2,274,497		\$ 75,773	409,882	
Gym Floor Replacement Project	199,892	192,982			6,910	
Construction of New Middle School	23,891,520	23,024,098	\$ 91,973			\$ 775,449
Replacement of Existing HVAC Units at Middle School	850,000	689,633				160,367
A-Field Refurbishment Project	<u>768,362</u>	<u>763,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,001</u>
	<u>\$ 32,093,816</u>	<u>\$ 30,545,891</u>	<u>\$ 91,973</u>	<u>\$ 75,773</u>	<u>\$ 439,362</u>	<u>\$ 940,817</u>
				Transferred to General Fund	<u>\$ 439,362</u>	
				Project Balance		\$ 940,817
				Debt Authorized Not Issued		<u>(520)</u>
				Fund Balance - Budgetary Basis		<u>\$ 940,297</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE YEAR FISCAL ENDED JUNE 30, 2023**

**Revenues and Other Financing Sources**

Other Financing Sources	
Transfer from Capital Reserve	-
Total Revenues and Other Financing Sources	-

**Expenditures and Other Financing Uses**

<b>Expenditures</b>	
Purchased Professional and Technical Services	\$ 3,369
Construction Services	88,604
<b>Other Financing Uses</b>	
Transfer to General Fund	439,362
Total Expenditures and Other Financing Uses	531,335

Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(531,335)
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Fund Balance - Beginning of Year	1,471,632
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Fund Balance - End of Year	\$ 940,297
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**Recapitulation of Fund Balance:**

Year End Encumbrances	\$ 325,901
Available for Capital Projects	614,396

Total Fund Balance - Restricted for Capital Projects	\$ 940,297
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WESTWOOD REGIONAL SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
 BUDGETARY BASIS  
 HIGH SCHOOL FAÇADE REPLACEMENT  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfers from Capital Reserve	\$ 1,773,954		\$ 1,773,954	\$ 1,773,954
Transfers from Capital Outlay	667,300		667,300	667,300
SDA (Regular Operating District) Grant	<u>1,182,636</u>	<u>-</u>	<u>1,182,636</u>	<u>1,182,636</u>
Total Revenues and Other Financing Sources	<u>3,623,890</u>	<u>-</u>	<u>3,623,890</u>	<u>3,623,890</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	208,890		208,890	208,890
Construction Services	3,392,430		3,392,430	3,415,000
Transfer to General Fund	<u>-</u>	<u>\$ 22,570</u>	<u>22,570</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>3,601,320</u>	<u>22,570</u>	<u>3,623,890</u>	<u>3,623,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 22,570</u>	<u>\$ (22,570)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5755-050-14-1001			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,956,590			
Adjustment	667,300			
Revised Authorized Cost	3,623,890			
Percentage Increase Over Original				
Authorized Cost	23%			
Percentage Completion	100%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

WESTWOOD REGIONAL SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
 BUDGETARY BASIS  
 HIGH SCHOOL PARTIAL ROOF REPLACEMENT  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfers from Capital Reserve	\$ 1,656,091		\$ 1,656,091	\$ 1,656,091
SDA (Regular Operating District) Grant	<u>1,104,061</u>	<u>-</u>	<u>1,104,061</u>	<u>1,104,061</u>
Total Revenues and Other Financing Sources	<u>2,760,152</u>	<u>-</u>	<u>2,760,152</u>	<u>2,760,152</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	136,800		136,800	136,800
Construction Services	2,137,697		2,137,697	2,547,579
Cancellation of SDA Grant Receivable	75,773		75,773	75,773
Transfer to General Fund	<u>-</u>	<u>\$ 409,882</u>	<u>409,882</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>2,350,270</u>	<u>409,882</u>	<u>2,760,152</u>	<u>2,760,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 409,882</u>	<u>\$ (409,882)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	5755-050-14-1002			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,760,152			
Adjustment				
Revised Authorized Cost	2,760,152			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2017/18			

**WESTWOOD REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -**  
**BUDGETARY BASIS**  
**GYM FLOOR REPLACEMENT PROJECT**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfers from Capital Reserve	\$ 199,892	-	\$ 199,892	\$ 199,892
<b>Total Revenues and Other Financing Sources</b>	<u>199,892</u>	<u>-</u>	<u>199,892</u>	<u>199,892</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	192,982		192,982	199,892
Transfer to General Fund	-	\$ 6,910	6,910	-
<b>Total Expenditures and Other Financing Uses</b>	<u>192,982</u>	<u>6,910</u>	<u>199,892</u>	<u>199,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 6,910</u>	<u>\$ (6,910)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 199,892			
Adjustment				
Revised Authorized Cost	199,892			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date	2017/18			
Revised Target Completion Date	2017/18			

WESTWOOD REGIONAL SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
 BUDGETARY BASIS  
 CONSTRUCTION OF NEW MIDDLE SCHOOL  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 7,751,000		\$ 7,751,000	\$ 7,751,520
Transfer from Debt Service Fund				
Capital Reserve	13,097,000		13,097,000	13,097,000
Debt Service State Aid	3,043,000	-	3,043,000	3,043,000
	<u>23,891,000</u>	<u>-</u>	<u>23,891,000</u>	<u>23,891,520</u>
<b>Expenditures and Other Financing Uses</b>				
Equipment	\$ 5,243		5,243	5,243
Purchased Professional and Technical Services	3,120,634	\$ 3,369	3,124,003	3,773,800
Construction Services	19,898,221	88,604	19,986,825	20,112,477
	<u>23,024,098</u>	<u>91,973</u>	<u>23,116,071</u>	<u>23,891,520</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 866,902</u>	<u>\$ (91,973)</u>	<u>\$ 774,929</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/12/2017			
Bonds Authorized	\$ 23,891,520			
Bonds Issued	\$ 7,751,000			
Original Authorized Cost	\$ 23,891,520			
Adjustment	-			
Revised Authorized Cost	23,891,520			
Percentage Increase Over Original				
Authorized Cost	0%			
Percentage Completion	97%			
Original Target Completion Date	2020/21			
Revised Target Completion Date	2022/23			



**WESTWOOD REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
REPLACEMENT OF EXISTING HVAC UNITS AT MIDDLE SCHOOL  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
A-FIELD REFURBISHMENT PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**PROPRIETARY FUNDS**

**WESTWOOD REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND - NON-MAJOR  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2023**

	<b>Summer Enrichment Program</b>	<b>1:1 Initiative</b>	<b>Total Non-Major Enterprise Funds</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 75,014	\$ 37,355	\$ 112,369
Total Assets	<u>75,014</u>	<u>37,355</u>	<u>112,369</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	2,372		2,372
Unearned Revenue	<u>30,709</u>	<u>-</u>	<u>30,709</u>
Total Current Liabilities	<u>33,081</u>	<u>-</u>	<u>33,081</u>
<b>NET POSITION</b>			
Unrestricted	<u>41,933</u>	<u>37,355</u>	<u>79,288</u>
Total Net Position	<u>\$ 41,933</u>	<u>\$ 37,355</u>	<u>\$ 79,288</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
 ENTERPRISE FUND - NON-MAJOR  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Summer Enrichment Program</u>	<u>1:1 Initiative</u>	<u>Total Non-Major Enterprise Funds</u>
<b>OPERATING REVENUES</b>			
Charges for Services			
Program Fees	\$ 30,391	\$ 25,310	\$ 55,701
Total Operating Revenues	<u>30,391</u>	<u>25,310</u>	<u>55,701</u>
<b>OPERATING EXPENSES</b>			
Supplies and Materials	<u>18,332</u>	<u>22,293</u>	<u>40,625</u>
Total Operating Expenses	<u>18,332</u>	<u>22,293</u>	<u>40,625</u>
Operating Income	<u>12,059</u>	<u>3,017</u>	<u>15,076</u>
<b>NON-OPERATING REVENUES</b>			
Interest and Investment Income	<u>232</u>	<u>391</u>	<u>623</u>
Total Non-Operating Revenues	<u>232</u>	<u>391</u>	<u>623</u>
Change in Net Position	12,291	3,408	15,699
Total Net Position, Beginning of Year	<u>29,642</u>	<u>33,947</u>	<u>63,589</u>
Total Net Position, End of Year	<u>\$ 41,933</u>	<u>\$ 37,355</u>	<u>\$ 79,288</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND - NON-MAJOR  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Summer Enrichment Program</b>	<b>1:1 Initiative</b>	<b>Total Non-Major Enterprise Funds</b>
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$ 31,563	\$ 25,310	\$ 56,873
Cash Payments to Suppliers for Goods and Services	<u>(16,275)</u>	<u>(22,293)</u>	<u>(38,568)</u>
Net Cash Provided (Used) by Operating Activities	<u>15,288</u>	<u>3,017</u>	<u>18,305</u>
<b>Cash Flows from Investing Activities</b>			
Interest Received	<u>232</u>	<u>391</u>	<u>623</u>
Net Cash Provided by Investing Activities	<u>232</u>	<u>391</u>	<u>623</u>
Net Increase in Cash and Cash Equivalents	15,520	3,408	18,928
Cash and Cash Equivalents, Beginning of Year	<u>59,494</u>	<u>33,947</u>	<u>93,441</u>
Cash and Cash Equivalents, End of Year	<u>\$ 75,014</u>	<u>\$ 37,355</u>	<u>\$ 112,369</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>			
Operating Income	\$ 12,059	\$ 3,017	\$ 15,076
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities			
Increase/(Decrease) in Accounts Payable	2,057		2,057
Increase/(Decrease) in Unearned Revenue	<u>1,172</u>	<u>-</u>	<u>1,172</u>
Total Adjustments	<u>3,229</u>	<u>-</u>	<u>3,229</u>
Net Cash Provided by Operating Activities	<u>\$ 15,288</u>	<u>\$ 3,017</u>	<u>\$ 18,305</u>

**FIDUCIARY FUNDS**  
(Not Applicable)

**LONG-TERM DEBT**



WESTWOOD REGIONAL SCHOOL DISTRICT  
 SCHEDULE OF BONDS PAYABLE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Retired</u>	<u>Balance, June 30, 2023</u>
			<u>Date</u>	<u>Amount</u>				
2016 Refunding Bonds	4/7/2016	\$ 11,125,000	8/1/2023	\$ 860,000	4.000%	\$ 8,765,000	\$ 820,000	\$ 7,945,000
			8/1/2024	895,000	4.000%			
			8/1/2025	930,000	4.000%			
			8/1/2026	965,000	4.000%			
			8/1/2027	1,005,000	4.000%			
			8/1/2028	1,045,000	4.000%			
			8/1/2029	1,095,000	5.000%			
			8/1/2030	1,150,000	5.000%			
2018 School Bonds	9/20/2018	7,751,000	9/15/2023-2025	400,000	3.000%	<u>6,800,000</u>	<u>400,000</u>	<u>6,400,000</u>
			9/15/2026-2034	400,000	3.125%			
			9/15/2035-2038	400,000	3.250%			
						<u>\$ 15,565,000</u>	<u>\$ 1,220,000</u>	<u>\$ 14,345,000</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Not Applicable

**WESTWOOD REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget with Actual
<b>REVENUES:</b>					
Local Sources:					
Property Tax Levy	\$ 1,299,047		\$ 1,299,047	\$ 1,299,047	
State Sources					
Debt Service Aid	<u>439,103</u>	<u>-</u>	<u>439,103</u>	<u>439,103</u>	<u>-</u>
Total Revenues	<u>1,738,150</u>	<u>-</u>	<u>1,738,150</u>	<u>1,738,150</u>	<u>-</u>
<b>EXPENDITURES:</b>					
Debt Service:					
Redemption of Principal	1,220,000		1,220,000	1,220,000	
Interest on Bonds	<u>563,150</u>	<u>-</u>	<u>563,150</u>	<u>563,150</u>	<u>-</u>
Total Regular Debt Service	<u>1,783,150</u>	<u>-</u>	<u>1,783,150</u>	<u>1,783,150</u>	<u>-</u>
Total Expenditures	<u>1,783,150</u>	<u>-</u>	<u>1,783,150</u>	<u>1,783,150</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,000)	-	(45,000)	(45,000)	-
<b>OTHER FINANCING SOURCES</b>					
Fund Balance, Beginning of Year	<u>98,884</u>	<u>-</u>	<u>98,884</u>	<u>98,884</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 53,884</u>	<u>\$ -</u>	<u>\$ 53,884</u>	<u>\$ 53,884</u>	<u>\$ -</u>
Recapitulation of Fund Balance Designated for Subsequent Year				<u>\$ 53,884</u>	

## STATISTICAL SECTION

This part of the Westwood Regional School 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 government's overall financial health.

### Contents

### Exhibits

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

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

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

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

J-14 and J-15

#### **Operating Information**

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

J-16 to J-20

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Restated)						(Restated)			
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 11,757,643	\$ 14,116,063	\$ 16,641,633	\$ 17,586,138	\$ 21,747,405	\$ 23,987,704	\$ 35,646,139	\$ 37,542,626	\$ 37,778,550	\$ 39,584,391
Restricted	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	13,028,733	16,776,646	22,303,756	22,103,603
Unrestricted	(7,427,901)	(7,960,599)	(7,639,332)	(8,810,772)	(10,149,087)	(10,623,551)	(8,615,645)	(5,669,086)	(4,395,206)	(434,390)
<b>Total governmental activities net position</b>	<u>\$ 14,901,104</u>	<u>\$ 20,081,733</u>	<u>\$ 25,157,617</u>	<u>\$ 28,494,558</u>	<u>\$ 30,671,973</u>	<u>\$ 32,925,104</u>	<u>\$ 40,059,227</u>	<u>\$ 48,650,186</u>	<u>\$ 55,687,100</u>	<u>\$ 61,253,604</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 25,266	\$ 82,203	\$ 70,157	\$ 79,730	\$ 80,376	\$ 71,419	\$ 215,361	\$ 203,364	\$ 195,813	\$ 214,048
Restricted										
Unrestricted	127,755	134,374	164,967	214,409	257,741	332,987	301,201	348,720	627,853	833,862
<b>Total business-type activities net position</b>	<u>\$ 153,021</u>	<u>\$ 216,577</u>	<u>\$ 235,124</u>	<u>\$ 294,139</u>	<u>\$ 338,117</u>	<u>\$ 404,406</u>	<u>\$ 516,562</u>	<u>\$ 552,084</u>	<u>\$ 823,666</u>	<u>\$ 1,047,910</u>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 11,782,909	\$ 14,198,266	\$ 16,711,790	\$ 17,665,868	\$ 21,827,781	\$ 24,059,123	\$ 35,861,500	\$ 37,745,990	\$ 37,974,363	\$ 39,798,439
Restricted	10,573,362	13,926,269	16,155,316	19,719,192	19,073,655	19,560,931	13,028,733	16,776,646	22,303,756	22,103,603
Unrestricted	(7,300,146)	(7,826,225)	(7,474,365)	(8,596,363)	(9,891,346)	(10,290,544)	(8,314,444)	(5,320,366)	(3,767,353)	399,472
<b>Total district net position</b>	<u>\$ 15,056,125</u>	<u>\$ 20,298,310</u>	<u>\$ 25,392,741</u>	<u>\$ 28,788,697</u>	<u>\$ 31,010,090</u>	<u>\$ 33,329,510</u>	<u>\$ 40,375,789</u>	<u>\$ 49,202,270</u>	<u>\$ 56,510,766</u>	<u>\$ 62,301,514</u>

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

Source: District's financial statements

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Regular	\$ 19,192,579	\$ 22,866,004	\$ 24,441,641	\$ 28,300,446	\$ 30,155,736	\$ 28,600,722	\$ 29,395,538	\$ 31,277,974	\$ 27,091,636	\$ 27,451,133
Special Education	7,652,800	8,573,422	8,416,625	10,232,995	10,222,353	10,574,343	8,177,953	11,059,941	10,232,627	10,840,127
Other Instruction	1,533,324	1,530,383	1,490,307	1,468,680	1,434,862	1,076,096	1,180,931	1,184,909	2,046,558	1,761,765
School Sponsored Activities and Athletics	1,219,388	1,320,124	1,426,941	1,465,923	1,615,720	1,537,639	1,401,311	1,602,605	1,661,820	1,904,365
Support Services:										
Student & Instruction Related Services	9,996,396	10,675,895	11,929,533	12,326,470	12,511,438	11,785,211	11,509,188	12,277,358	11,661,879	11,444,932
School Administrative Services	2,997,858	3,352,217	3,421,124	3,986,266	4,201,979	3,989,512	4,192,550	4,371,881	3,743,244	3,634,210
General Administrative	883,832	1,130,717	1,313,684	1,390,777	1,790,462	1,564,005	1,749,819	1,912,649	1,534,012	1,739,340
Plant Operations and Maintenance	4,980,108	5,127,740	5,355,556	5,704,717	5,927,867	6,842,418	5,943,977	5,307,157	7,139,127	7,793,517
Pupil Transportation	1,449,545	1,334,608	1,402,650	1,453,690	1,506,860	1,289,167	1,145,355	1,101,618	1,258,687	1,891,748
Other Support Services	924,881	936,045	1,017,308	977,767	983,632	1,159,143	1,169,818	1,271,861	1,209,080	1,281,418
Interest on Long-Term Debt	621,983	597,394	628,127	441,592	616,116	615,149	622,288	514,781	647,398	386,497
<b>Total Governmental Activities Expenses</b>	<b>\$ 51,452,694</b>	<b>\$ 57,444,549</b>	<b>\$ 60,843,496</b>	<b>\$ 67,749,323</b>	<b>\$ 70,967,025</b>	<b>\$ 69,033,405</b>	<b>\$ 66,488,728</b>	<b>\$ 71,882,734</b>	<b>\$ 68,226,068</b>	<b>\$ 70,129,052</b>
<b>Business-Type Activities:</b>										
Food Service	855,312	798,375	920,552	930,915	985,937	1,052,198	847,640	576,427	1,324,657	1,334,145
Summer Enrichment	29,276	29,276	27,416	28,625	51,315	40,215	46,206	15,942	17,330	40,625
<b>Total Business-Type Activities Expense</b>	<b>884,588</b>	<b>827,651</b>	<b>947,968</b>	<b>959,540</b>	<b>1,037,252</b>	<b>1,092,413</b>	<b>893,846</b>	<b>592,369</b>	<b>1,341,987</b>	<b>1,374,770</b>
<b>Total District Expenses</b>	<b>\$ 52,337,282</b>	<b>\$ 58,272,200</b>	<b>\$ 61,791,464</b>	<b>\$ 68,708,863</b>	<b>\$ 72,004,277</b>	<b>\$ 70,125,818</b>	<b>\$ 67,382,574</b>	<b>\$ 72,475,103</b>	<b>\$ 69,568,055</b>	<b>\$ 71,503,822</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
Instruction (Tuition)	\$ 49,400	\$ 68,939	\$ 48,700	\$ 52,500	\$ 92,070	\$ 49,018	\$ 46,547	\$ 229,393	\$ 172,823	\$ 229,738
School Sponsored Activities and Athletics									327,470	594,606
Rentals	18,994	28,560	21,513	21,601	22,320	28,967	12,425	15,092	25,468	23,607
Operating Grants and Contributions	7,747,818	12,683,456	14,991,830	19,289,182	20,369,013	17,614,969	16,581,085	22,905,614	17,308,345	14,933,457
Capital Grants and Contributions	324,225	1,076,388	985,476	69,098	4,208	-	-	42,950	199,401	146,125
<b>Total Governmental Activities Program Revenues</b>	<b>8,140,437</b>	<b>13,857,343</b>	<b>16,047,519</b>	<b>19,432,381</b>	<b>20,487,611</b>	<b>17,692,954</b>	<b>16,640,057</b>	<b>23,193,049</b>	<b>18,033,507</b>	<b>15,927,533</b>
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	683,450	683,450	740,990	768,851	824,078	880,319	617,504	29,383	210,801	1,031,718
Summer Enrichment	28,325	28,325	28,255	41,290	48,000	66,107	63,970	505	18,209	55,701
Operating Grants and Contributions	178,290	178,290	196,636	206,571	206,151	206,599	187,071	597,898	1,384,229	502,040
<b>Total Business Type Activities Program Revenues</b>	<b>890,065</b>	<b>890,065</b>	<b>965,881</b>	<b>1,016,712</b>	<b>1,078,229</b>	<b>1,153,025</b>	<b>868,545</b>	<b>627,786</b>	<b>1,613,239</b>	<b>1,589,459</b>
<b>Total District Program Revenues</b>	<b>\$ 9,030,502</b>	<b>\$ 14,747,408</b>	<b>\$ 17,013,400</b>	<b>\$ 20,449,093</b>	<b>\$ 21,565,840</b>	<b>\$ 18,845,979</b>	<b>\$ 17,508,602</b>	<b>\$ 23,820,835</b>	<b>\$ 19,646,746</b>	<b>\$ 17,516,992</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (43,312,257)	\$ (43,587,206)	\$ (44,795,977)	\$ (48,316,942)	\$ (50,479,414)	\$ (51,340,451)	\$ (49,848,671)	\$ (48,689,685)	\$ (50,192,561)	\$ (54,201,519)
Business-Type Activities	5,477	62,414	17,913	57,172	40,977	60,612	(25,301)	35,417	271,252	214,689
<b>Total District-Wide Net Expense</b>	<b>\$ (43,306,780)</b>	<b>\$ (43,524,792)</b>	<b>\$ (44,778,064)</b>	<b>\$ (48,259,770)</b>	<b>\$ (50,438,437)</b>	<b>\$ (51,279,839)</b>	<b>\$ (49,873,972)</b>	<b>\$ (48,654,268)</b>	<b>\$ (49,921,309)</b>	<b>\$ (53,986,830)</b>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied for General Purposes, net	\$ 46,550,241	\$ 47,481,245	\$ 48,430,869	\$ 50,021,078	\$ 51,021,500	\$ 52,679,699	\$ 54,049,371	\$ 55,443,247	\$ 55,443,247	\$ 56,915,314
Taxes Levied for Debt Service	880,072	877,348	784,276	842,135	861,411	1,026,482	1,300,061	1,338,079	1,330,946	1,299,047
Unrestricted Grants and Contributions	2,180	52,774	56,730	82,201	83,193	6,352	-	-	-	-
Federal and State Aid - Restricted	166,195	173,687	180,747	217,877	190,657	3,077,998	232,333	278,225	286,198	300,427
Investment Earnings	77,701	66,461	72,137	116,501	204,098	547,432	378,312	27,364	65,728	1,186,903
Miscellaneous Income	80,836	114,320	347,102	374,091	295,970	74,606	92,603	193,729	103,356	66,332
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>47,757,225</b>	<b>48,765,835</b>	<b>49,871,861</b>	<b>51,653,883</b>	<b>52,656,829</b>	<b>57,412,569</b>	<b>56,052,680</b>	<b>57,280,644</b>	<b>57,229,475</b>	<b>59,768,023</b>
<b>Business-Type Activities:</b>										
Investment Earnings	1,142	1,142	634	1,843	3,001	8,880	3,281	105	330	9,555
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>1,142</b>	<b>1,142</b>	<b>634</b>	<b>1,843</b>	<b>3,001</b>	<b>8,880</b>	<b>3,281</b>	<b>105</b>	<b>330</b>	<b>9,555</b>
<b>Total District-Wide</b>	<b>\$ 47,758,367</b>	<b>\$ 48,766,977</b>	<b>\$ 49,872,495</b>	<b>\$ 51,655,726</b>	<b>\$ 52,659,830</b>	<b>\$ 57,421,449</b>	<b>\$ 56,055,961</b>	<b>\$ 57,280,749</b>	<b>\$ 57,229,805</b>	<b>\$ 59,777,578</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 4,444,968	\$ 5,178,629	\$ 5,075,884	\$ 3,336,941	\$ 2,177,415	\$ 6,072,118	\$ 6,204,009	\$ 8,590,959	\$ 7,036,914	\$ 5,566,504
Business-Type Activities	6,619	63,556	18,547	59,015	43,978	69,492	(22,020)	35,522	271,582	224,244
<b>Total District</b>	<b>\$ 4,451,587</b>	<b>\$ 5,242,185</b>	<b>\$ 5,094,431</b>	<b>\$ 3,395,956</b>	<b>\$ 2,221,393</b>	<b>\$ 6,141,610</b>	<b>\$ 6,181,989</b>	<b>\$ 8,626,481</b>	<b>\$ 7,308,496</b>	<b>\$ 5,790,748</b>

Source: District's financial statements

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

	2014	2015	2016	2017	2018	2019	2020 (Restated)	2021	2022	2023
<b>General Fund</b>										
Restricted	\$ 10,328,254	\$ 12,900,030	\$ 17,120,281	\$ 20,653,911	\$ 20,801,746	\$ 10,316,678	\$ 13,270,676	\$ 18,231,892	\$ 24,071,839	\$ 24,865,396
Committed	-	-	-	-	-	-	202,899	940,232	905,350	2,771,196
Assigned	1,345,035	1,174,435	1,747,435	1,403,414	1,215,009	668,515	2,086,761	2,328,727	1,643,852	3,156,702
Unassigned	868,900	867,411	847,827	900,366	977,310	964,826	911,295	1,966,343	2,023,591	1,005,607
<b>Total General Fund</b>	<b>\$ 12,542,189</b>	<b>\$ 14,941,876</b>	<b>\$ 19,715,543</b>	<b>\$ 22,957,691</b>	<b>\$ 22,994,065</b>	<b>\$ 11,950,019</b>	<b>\$ 16,471,631</b>	<b>\$ 23,467,194</b>	<b>\$ 28,644,632</b>	<b>\$ 31,798,901</b>
<b>All Other Governmental Funds</b>										
Restricted	\$ 1,935,988	\$ 2,638,452	\$ 633,919	\$ 664,165	\$ (505,405)	\$ 18,600,790	\$ 5,475,109	\$ 2,182,446	\$ 1,993,014	\$ 1,407,331
Unassigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 1,935,988</b>	<b>\$ 2,638,452</b>	<b>\$ 633,919</b>	<b>\$ 664,165</b>	<b>\$ (505,405)</b>	<b>\$ 18,600,790</b>	<b>\$ 5,475,109</b>	<b>\$ 2,182,446</b>	<b>\$ 1,993,014</b>	<b>\$ 1,407,331</b>

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

Source: District's financial statements



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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Property Tax Levy	\$ 47,430,313	\$ 48,358,593	\$ 49,215,145	\$ 50,863,213	\$ 51,882,911	\$ 53,706,181	\$ 55,349,432	\$ 56,781,326	\$ 56,774,193	\$ 58,214,361
Tuition Charges	49,400	68,939	48,700	52,500	92,070	49,018	46,547	229,393	172,823	229,738
Interest Earnings	77,701	66,461	72,137	116,501	204,098	547,432	378,312	27,364	65,728	1,186,903
Miscellaneous	281,665	180,552	425,724	443,895	241,736	146,325	125,492	543,632	504,840	707,234
State Sources	7,131,039	8,339,140	9,163,412	8,697,179	9,896,982	14,216,431	12,357,017	14,230,921	18,345,767	18,975,702
Federal Sources	927,544	900,851	1,012,981	1,058,700	1,027,951	1,047,114	1,017,540	1,394,911	1,328,211	1,728,800
<b>Total Revenue</b>	<b>55,897,662</b>	<b>57,914,536</b>	<b>59,938,099</b>	<b>61,231,988</b>	<b>63,345,748</b>	<b>69,712,501</b>	<b>69,274,340</b>	<b>73,207,547</b>	<b>77,191,562</b>	<b>81,042,738</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	19,141,564	19,882,991	20,830,282	22,379,755	24,459,613	25,384,064	27,191,207	27,342,337	29,043,463	30,853,728
Special Education Instruction	7,647,425	7,921,041	7,606,512	8,733,736	8,896,501	9,759,855	8,017,734	10,056,671	10,721,354	11,834,161
Other Instruction	1,531,793	1,335,505	1,275,778	1,171,768	1,174,004	958,530	1,089,236	1,036,605	2,169,204	1,956,614
School Sponsored Activities and Athletics	1,217,979	1,265,374	1,341,463	1,313,458	1,435,429	1,452,115	1,369,118	1,508,051	1,648,039	1,933,740
<b>Support Services:</b>										
Student & Inst. Related Services	9,914,369	9,903,309	10,899,279	10,673,229	10,873,196	10,929,623	11,010,900	11,272,357	12,004,556	12,302,395
General Administration	833,739	989,865	1,150,211	1,150,793	1,481,861	1,417,925	1,571,833	1,673,112	1,563,445	1,817,588
School Administrative Services	2,989,391	2,977,795	2,971,662	3,210,115	3,507,662	3,588,165	3,911,810	3,848,395	3,962,964	4,029,220
Central Services	923,704	917,904	983,691	906,734	886,813	1,107,754	1,155,753	1,196,883	1,219,825	1,340,518
Plant Operations and Maintenance	4,102,985	4,067,711	4,250,554	4,461,856	4,577,160	5,484,563	4,822,068	4,726,206	5,462,050	5,869,053
Pupil Transportation	1,434,256	1,310,234	1,367,436	1,402,496	1,448,392	1,250,191	1,115,329	1,062,147	1,236,112	1,881,326
Capital Outlay	2,622,619	3,018,012	3,269,553	1,368,211	4,628,733	6,646,787	15,824,225	4,006,733	1,405,669	2,872,659
<b>Debt Service:</b>										
Principal	593,155	615,000	640,000	750,000	695,000	16,865,000	936,000	1,130,000	1,160,000	1,220,000
Interest and Other Charges	631,877	607,644	728,004	437,443	492,050	696,783	793,307	645,150	606,875	563,150
<b>Total Expenditures</b>	<b>53,584,856</b>	<b>54,812,385</b>	<b>57,314,425</b>	<b>57,959,594</b>	<b>64,556,414</b>	<b>85,541,355</b>	<b>78,808,520</b>	<b>69,504,647</b>	<b>72,203,556</b>	<b>78,474,152</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>2,312,806</b>	<b>3,102,151</b>	<b>2,623,674</b>	<b>3,272,394</b>	<b>(1,210,666)</b>	<b>(15,828,854)</b>	<b>(9,534,180)</b>	<b>3,702,900</b>	<b>4,988,006</b>	<b>2,568,586</b>
<b>Other Financing Sources (Uses)</b>										
Bond Proceeds						7,751,000				
Refunding Bond Proceeds			11,125,000							
Original Issue Premium			1,593,127		77,470					
Payment to Refunded Bond Escrow Agent			(12,572,667)							
Bond Anticipation Notes						16,140,000				
Transfers In	2,421,165	2,209,709		435,617	127,326	13,947,000	765,747	2,615	98,884	439,362
Transfers Out	(2,421,165)	(2,209,709)	-	(435,617)	(127,326)	(13,947,000)	(765,747)	(2,615)	(98,884)	(439,362)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>145,460</b>	<b>-</b>	<b>77,470</b>	<b>23,891,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 2,312,806</b>	<b>\$ 3,102,151</b>	<b>\$ 2,769,134</b>	<b>\$ 3,272,394</b>	<b>\$ (1,133,196)</b>	<b>\$ 8,062,146</b>	<b>\$ (9,534,180)</b>	<b>\$ 3,702,900</b>	<b>\$ 4,988,006</b>	<b>\$ 2,568,586</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>2.40%</b>	<b>2.36%</b>	<b>2.53%</b>	<b>2.10%</b>	<b>1.98%</b>	<b>22.26%</b>	<b>2.75%</b>	<b>2.71%</b>	<b>2.50%</b>	<b>2.36%</b>

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

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

<b>Fiscal Year Ended June 30,</b>	<b>Interest Earned</b>	<b>Rentals</b>	<b>Insurance Refunds</b>	<b>Clean Energy Program</b>	<b>Cancelled Prior Year Checks / Accounts Payable</b>	<b>Tuition</b>	<b>Miscellaneous</b>	<b>Total</b>
2014	77,701	18,994				49,400	80,836	226,931
2015	66,461	28,560				68,939	114,320	278,280
2016	72,137	21,513			\$ 312,416	48,700	34,686	489,452
2017	116,501	21,601	194,892		124,382	52,500	54,817	564,693
2018	204,098	22,320	84,588		69,338	92,070	64,574	536,988
2019	547,432	28,967				49,018	74,606	700,023
2020	378,312	12,425				46,547	92,603	529,887
2021	27,364	15,092	80,045	31,900		229,393	81,784	465,578
2022	65,728	25,468	80,330			172,823	23,026	367,375
2023	1,186,903	23,607	58,054			229,738	8,278	1,506,580

Source: District financial records

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

**BOROUGH OF WESTWOOD**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate <sup>a</sup>
2014	7,757,300	1,198,836,400			348,075,100	39,282,700	147,777,500	1,741,729,000		1,741,729,000	1,841,735,328	1.458
2015	7,368,600	1,200,032,600			348,573,600	39,265,100	147,134,400	1,742,374,300		1,742,374,300	1,944,636,496	1.475
2016	7,147,900	1,205,065,900			350,549,500	38,708,500	147,279,400	1,748,751,200		1,748,751,200	1,959,278,249	1.505
2017	6,223,500	1,273,972,000			391,335,600	45,352,400	158,839,500	1,875,723,000		1,875,723,000	1,915,516,833	1.441
2018	5,929,300	1,300,533,900			422,372,000	47,372,900	162,231,200	1,938,439,300		1,938,439,300	1,945,643,230	1.434
2019	5,652,000	1,327,245,900			431,533,500	49,687,400	167,370,900	1,981,489,700		1,981,489,700	2,070,305,820	1.477
2020	5,028,600	1,346,479,700			440,149,700	51,700,400	173,509,900	2,016,868,300		2,016,868,300	2,064,559,627	1.501
2021	5,119,000	1,377,641,900			427,778,400	51,410,300	178,342,200	2,040,291,800		2,040,291,800	2,098,069,499	1.489
2022	5,530,800	1,447,771,800			438,202,900	57,245,300	199,546,700	2,148,297,500		2,148,297,500	2,199,621,840	1.428
2023	5,394,100	1,545,373,700			456,681,700	62,856,200	214,716,600	2,285,022,300		2,285,022,300	2,289,586,229	1.349

**TOWNSHIP OF WASHINGTON**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate <sup>a</sup>
2014	8,392,400	1,564,076,500			48,794,300			1,621,263,200	1,004,352	1,622,267,552	1,989,272,914	1.387
2015	8,224,800	1,560,619,000			48,794,300			1,617,638,100	1,032,412	1,618,670,512	1,704,758,853	1.426
2016	8,167,400	1,559,767,100			48,744,900			1,616,679,400	972,363	1,617,651,763	1,740,908,053	1.467
2017	9,429,400	1,560,673,000			49,365,000			1,619,467,400	973,490	1,620,440,890	1,746,668,795	1.503
2018	9,235,900	1,564,636,800			49,365,000			1,623,237,700	740,435	1,623,978,135	1,799,283,499	1.540
2019	7,236,400	1,569,503,300		\$ 2,000	47,216,000			1,623,957,700	719,264	1,624,676,964	1,801,395,119	1.556
2020	7,236,800	1,571,935,700		2,000	46,652,500			1,625,827,000	714,163	1,626,541,163	1,831,092,465	1.586
2021	7,016,300	1,574,551,600		2,000	46,652,500			1,628,222,400	716,083	1,628,938,483	1,860,317,274	1.621
2022	6,070,300	1,579,075,200		2,100	46,129,900			1,631,277,500	694,871	1,631,972,371	1,971,470,115	1.644
2023	5,963,800	1,582,770,500		2,100	44,257,300			1,632,993,700	845,574	1,633,839,274	2,097,186,720	1.701

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100

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

<b>Calendar Year</b>	<b><u>Total</u></b>	<b><u>Westwood Regional School District</u></b>	<b><u>Township of Washington</u></b>	<b><u>County</u></b>
2023	\$ 2.706	\$ 1.701	\$ 0.698	\$ 0.307
2022	2.581	1.644	0.645	0.292
2021	2.525	1.621	0.616	0.288
2020	2.485	1.586	0.619	0.280
2019	2.429	1.556	0.602	0.271
2018	2.363	1.540	0.552	0.271
2017	2.325	1.503	0.551	0.271
2016	2.270	1.470	0.540	0.260
2015	2.232	1.426	0.555	0.251
2014	2.212	1.387	0.587	0.238

Source: Abstract of Ratables, County Board of Taxation.

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

<b>Calendar Year</b>	<b><u>Total</u></b>	<b><u>Westwood Regional School District</u></b>	<b><u>Borough of Westwood</u></b>	<b><u>County</u></b>
2023	\$ 2.293	\$ 1.349	\$ 0.704	\$ 0.240
2022	2.408	1.428	0.730	0.250
2021	2.509	1.489	0.760	0.260
2020	2.534	1.501	0.778	0.255
2019	2.520	1.477	0.787	0.256
2018	2.483	1.434	0.801	0.248
2017	2.509	1.441	0.812	0.256
2016	2.627	1.505	0.847	0.275
2015	2.544	1.475	0.817	0.252
2014	2.492	1.458	0.787	0.247

Source: Abstract of Ratables, County Board of Taxation.

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

2023		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Hackensack UMC at Pascack Valley	\$ 94,990,000	4.42%
Highlands at Westwood I LLC	67,109,400	3.12%
First Real Estate Investment Trust of NJ	40,415,600	1.88%
Westwood Charles Coventry Owner LP	23,137,700	1.08%
Charles Street Holdings, LLC	15,029,900	0.70%
Westwood Ctr Stanford Property Owner	14,620,100	0.68%
Puccio III LLC	14,134,800	0.66%
Westwood Hills, LLC	13,948,100	0.65%
Westwood Hills, LLC	13,948,100	0.65%
WW Madison Realty LLC NJ	13,319,800	0.62%
	<u>310,653,500</u>	<u>14.46%</u>

2014		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Pascack Valley Hospital LLC	\$ 85,002,000	4.9%
CPF Westwood LLC	48,765,000	2.8%
Westwood Hills LLC	30,946,000	1.8%
First Realty Investment Trust of NJ	27,100,000	1.6%
Westwood Coventry LLC	12,852,000	0.7%
Westwood Stanford LLC	9,543,000	0.5%
WVA LLC	8,332,000	0.5%
PVP Westwood LLC	7,831,000	0.4%
Westwood Madison LLC	7,334,000	0.4%
Rockland Coaches	7,309,000	0.4%
	<u>\$ 245,014,000</u>	<u>14.07%</u>

Source: Municipal Tax Assessor

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

2023		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
CSH Pascack LLC DL	\$ 13,960,200	0.86%
Washington Town Center LLC	7,990,200	0.49%
Washington Town Center LLC	5,988,300	0.37%
TJ Realty LLC	5,465,000	0.33%
Ormon LLC	3,539,000	0.22%
Washington Town Center LLC	2,638,800	0.16%
Washington Town Center LLC	2,617,700	0.16%
Grove City LLC	2,049,700	0.13%
34 Maple Avenue LLC	1,974,400	0.12%
Harrison, Damon	1,388,300	0.09%
	<u>33,651,400</u>	<u>2.06%</u>

2014		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center LLC	\$ 10,139,200	0.63%
Washington Town Center LLC	5,988,300	0.37%
Binghamton/Washington Tennis Club	5,798,500	0.36%
TJ Realty LLC	5,465,000	0.34%
Ormon, LLC	3,539,000	0.22%
Washington Town Centre LLC	2,638,800	0.16%
Washington Town Center LLC	2,617,700	0.16%
Grove City LLC	2,049,700	0.13%
Individual Taxpayer	1,974,400	0.12%
Individual Taxpayer	1,369,800	0.08%
	<u>\$ 41,580,400</u>	<u>2.56%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	47,430,313	47,430,313	100.00%	N/A
2015	48,358,593	48,358,593	100.00%	N/A
2016	49,215,145	49,215,145	100.00%	N/A
2017	50,863,213	50,863,213	100.00%	N/A
2018	51,882,911	51,882,911	100.00%	N/A
2019	53,706,181	53,706,181	100.00%	N/A
2020	55,349,432	55,349,432	100.00%	N/A
2021	56,781,326	56,781,326	100.00%	N/A
2022	56,774,193	56,774,193	100.00%	N/A
2023	58,214,361	58,214,361	100.00%	N/A

N/A - Not Applicable

Source: District records



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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Westwood Population	Washington Township Population	Total per Capita (Both Towns)
	General Obligation Bonds	Capital Leases	Loans				
2014	14,957,000			14,957,000	11,099	9,258	735
2015	14,342,000			14,342,000	11,127	9,279	703
2016	13,210,000			13,210,000	11,109	9,256	649
2017	12,460,000			12,460,000	11,139	9,243	611
2018	11,765,000			11,765,000	11,116	9,216	579
2019	18,791,000			18,791,000	11,083	9,177	927
2020	17,855,000			17,855,000	11,023	9,142	885
2021	16,725,000			16,725,000	11,203	9,249	818
2022	15,565,000			15,565,000	11,186	9,235	762
2023	14,345,000			14,345,000	11,186 *	9,235 *	702

Source: District records

\* Estimated

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Borough of Westwood	Township of Washington	Total per Capita (both towns) <sup>b</sup>	
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property (1)		Percentage of Actual Taxable Value <sup>a</sup> of Property (1)
2014	14,957,000		14,957,000	0.86%	0.92%	735
2015	14,342,000		14,342,000	0.82%	0.89%	703
2016	13,210,000		13,210,000	0.76%	0.82%	649
2017	12,460,000		12,460,000	0.66%	0.77%	611
2018	11,765,000		11,765,000	0.61%	0.72%	579
2019	18,791,000		18,791,000	0.95%	1.16%	927
2020	17,855,000		17,855,000	0.89%	1.10%	885
2021	16,725,000		16,725,000	0.82%	1.03%	818
2022	15,565,000		15,565,000	0.72%	0.95%	761
2023	14,345,000		14,345,000	0.63%	0.88%	702

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-10 for population data.

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2022  
(Unaudited)**

**Gross Debt**

Municipal Debt: (1)	
Regional High School - Washington Township's Share	\$ 6,756,549
Township of Washington	<u>21,149,798</u>
	<u>\$ 27,906,347</u>
Municipal Debt: (1)	
Regional High School - Westwood's Share	\$ 7,588,971
Borough of Westwood	<u>13,001,056</u>
	<u>\$ 20,590,027</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen- Washington Township's Share (A)	\$ 15,281,049
County of Bergen- Westwood's Share (A)	17,049,475
Bergen County Utilities Authority - Water Pollution (B)-Washington Township's Share	2,365,978
Bergen County Utilities Authority -Water Pollution (B)- Westwood's Share	<u>3,094,678</u>
	<u>37,791,180</u>
Total Direct and Overlapping Debt	<u>\$ 58,381,207</u>

## Source:

(1) Township/Borough's 2022 Annual Debt Statement

(A) The debt for this entity was apportioned to Washington Township and Westwood by dividing the municipality's 2022 equalized value by the total 2022 equalized value for County of Bergen.

(B) The debt was computed based upon usage.

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

Legal Debt Margin Calculation for Fiscal Year 2023

		Borough of Westwood	Township of Washington
	2022	\$ 2,273,571,277	\$ 2,092,991,404
	2021	2,231,534,289	1,965,977,300
Equalized Valuation Basis	2020	2,138,325,170	1,855,755,051
		<u>\$ 6,643,430,736</u>	<u>\$ 5,914,723,755</u>
Average Equalized Valuation of Taxable Property		\$ 2,214,476,912	\$ 1,971,574,585
Debt Limit (4 % of average equalization value)		88,579,076	78,862,983
Total Net Debt Applicable to Limit		<u>7,588,971</u>	<u>6,756,549</u>
Legal Debt Margin		<u>\$ 80,990,105</u>	<u>\$ 72,106,434</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 150,093,897	\$ 145,518,448	\$ 145,208,313	\$ 145,868,133	\$ 149,470,031	\$ 153,093,546	\$ 156,687,670	\$ 158,481,180	\$ 161,684,088	\$ 167,442,060
Total net debt applicable to limit	14,957,000	14,342,075	13,210,075	12,460,075	35,656,595	18,791,595	17,855,595	16,725,595	15,565,520	14,345,520
Legal debt margin	<u>\$ 135,136,897</u>	<u>\$ 131,176,373</u>	<u>\$ 131,998,238</u>	<u>\$ 133,408,058</u>	<u>\$ 113,813,436</u>	<u>\$ 134,301,951</u>	<u>\$ 138,832,075</u>	<u>\$ 141,755,585</u>	<u>\$ 146,118,568</u>	<u>\$ 153,096,540</u>
Total net debt applicable to the limit as a percentage of debt limit	9.97%	9.86%	9.10%	8.54%	23.86%	12.27%	11.40%	10.55%	9.63%	8.57%

Source: Annual Debt Statements

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

**Township of Washington**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income<sup>c</sup></u>	<u>Unemployment Rate</u>
2014	9,258	73,883	5.00%
2015	9,279	77,323	4.30%
2016	9,256	78,836	4.10%
2017	9,243	81,024	3.80%
2018	9,216	85,191	3.30%
2019	9,177	88,241	2.90%
2020	9,142	91,972	9.00%
2021	9,249	97,343	5.40%
2022	9,235	N/A	3.00%
2023	9,235 E	N/A	N/A

**Borough of Westwood**

2014	11,099	73,883	5.00%
2015	11,127	77,323	4.30%
2016	11,109	78,836	3.80%
2017	11,139	81,024	3.60%
2018	11,116	85,191	3.40%
2019	11,083	88,241	2.70%
2020	11,023	91,972	8.50%
2021	11,203	97,343	5.40%
2022	11,186	N/A	3.00%
2023	11,186 E	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimated

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

INFORMATION NOT AVAILABLE

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

<u>Function/Program</u>	<u>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	190	190	186	173	195	195	221	230	217	216
Special Education	57	61	68	47	49	49	47	47	59	48
Support Services:										
Student & instruction Related Services	112	112	118	110	113	113	113	113	117	122
General Administration	5	5	5	5	6	6	6	6	7	6
School Administrative Services	16	17	17	23	24	24	24	24	26	27
Central Services	9	8	7	7	9	9	9	9	9	9
Plant Operations and Maintenance *	34	35	36	35	36	36	36	36	32	36
Other Support Services	2	2	2	6	6	6	6	6	4	6
<b>Total</b>	<u>425</u>	<u>428</u>	<u>439</u>	<u>405</u>	<u>438</u>	<u>438</u>	<u>462</u>	<u>471</u>	<u>471</u>	<u>470</u>

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

Source: District records

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

Fiscal Year	Enrollment <sup>a</sup>	Operating Expenditures <sup>b</sup>	Cost Per Pupil <sup>c</sup>	Percentage Change	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle	Junior/Senior High School				
2014	2,723.0	49,737,205	18,266	-0.65%	247.0	11.9	9.2	10.52	2,688.1	2,575.1	0.29%	95.79%
2015	2,752.5	50,571,729	18,373	0.59%	251.0	11.7	10.41	10.19	2,736.0	2,620.4	1.78%	95.78%
2016	2,762.5	52,676,828	19,069	3.79%	254.0	11.24	10.28	10.73	2,733.9	2,620.8	-0.08%	95.86%
2017	2,779.5	55,403,940	19,933	4.53%	276.8	9.92	14.84	7.97	2,777.9	2,650.6	1.61%	95.42%
2018	2,796.0	57,533,000	20,577	3.23%	251.0	11.84	10.15	10.91	2,795.1	2,669.6	0.62%	95.51%
2019	2,779.0	61,332,785	22,070	7.26%	244.0	17.39	13.34	12.81	2,771.8	2,637.9	-0.83%	95.17%
2020	2,787.0	61,354,988	21,979	-0.41%	268.0	10.58	9.81	10.59	2,797.1	2,700.0	0.91%	96.53%
2021	2,766.0	63,722,764	23,038	4.82%	277.0	9.96	10.49	9.65	2,767.9	2,701.2	-1.05%	97.59%
2022	2,754.0	69,031,012	25,066	8.80%	276.0	10.06	10.16	9.70	2,766.5	2,623.4	-0.05%	94.83%
2023	2,772.0	73,818,343	26,630	6.24%	264.0	10.98	10.08	10.10	2,777.4	2,621.5	0.39%	94.39%

Sources: District records

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



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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Washington										
Square Feet	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	311	298	292	300	298	323	309	316	329	330
Jessie George										
Square Feet	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment <sup>a</sup>	250	250	247	262	255	270	289	272	280	275
Brookside										
Square Feet	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	369	382	389	401	420	389	403	402	401	399
Berkeley										
Square Feet	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	309	288	295	300	291	313	306	288	276	276
<u>Middle School</u>										
Square Feet	47,400	47,400	47,400	47,400	47,400	47,400	47,400	97,465	97,465	97,465
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	431	433	430	419	416	431	433	642	632	654
<u>Jr/Sr High School</u>										
Square Feet	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595
Capacity (Students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,020	1,068	1,080	1,097	1,069	1,060	1,071	848	848	843

Number of Schools at June 30, 2023  
 Elementary = 4  
 Middle School = 1  
 Senior High School = 1

Source: District Records

N/A - Not Available

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

<u>School Facilities</u>	<u>Project #'s</u>	<u>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>
Berkeley Elementary	60	\$ 67,255	\$ 77,469	\$ 71,052	\$ 77,523	\$ 81,505	\$ 116,348	\$ 71,204	\$ 83,985	\$ 94,773	\$ 95,827
George Elementary	65	60,256	69,407	63,658	58,538	55,639	75,494	52,890	52,060	63,228	45,355
Washington Elementary	80	78,602	90,539	83,039	84,762	72,494	133,398	76,814	84,923	150,188	83,420
Brookside Elementary	62	76,000	87,543	80,292	125,076	78,549	159,731	88,487	104,687	104,016	87,316
Middle School	70	75,329	86,769	79,582	132,402	91,131	146,799	198,517	154,459	134,113	155,971
Westwood Junior/Senior High School	50	<u>357,742</u>	<u>412,075</u>	<u>377,942</u>	<u>401,585</u>	<u>359,526</u>	<u>535,976</u>	<u>437,360</u>	<u>488,627</u>	<u>416,772</u>	<u>515,905</u>
Grand Total		<u>\$ 715,184</u>	<u>\$ 823,802</u>	<u>\$ 755,564</u>	<u>\$ 879,886</u>	<u>\$ 738,844</u>	<u>\$ 1,167,746</u>	<u>\$ 925,272</u>	<u>\$ 968,741</u>	<u>\$ 963,090</u>	<u>\$ 983,794</u>

Source: District Records

**WESTWOOD REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
(Unaudited)**

**Article I - Property**

Coverage

Blanket Real and Personal Property	\$	500,000,000	per occurrence
Blanket Extra Expense		50,000,000	per occurrence
Blanket Valuable Papers and Records		10,000,000	per occurrence
Demolition and Increased Cost of Construction		25,000,000	per occurrence
Loss of Rents		Not Covered	per occurrence
Loss of Business Income/Tuition		Not Covered	per occurrence
Limited Builders Risk		10,000,000	per occurrence
Fire Department Service Charge		10,000	per occurrence
Arson Reward		10,000	per occurrence
Pollutant Cleanup and Removal		250,000	per occurrence
Sublimits: Flood Zones		25,000,000	per occurrence/ NJSIG annual aggregate
Accounts Receivable		250,000	per occurrence/ annual aggregate
All Flood Zones		75,000,000	per occurrence/NJSIG annual aggregate
Earthquake		50,000,000	per occurrence NJSIG annual aggregate
Terrorism		1,000,000	per occurrence NJSIG annual aggregate
Deductibles:			
Real & Personal		5,000	per occurrence
Extra Expense		5,000	per occurrence
Valuable Papers		5,000	per occurrence
Special Flood Hazard Area Flood Deductibles		500,000	per building
		500,000	per building contents
All Other Flood Zones		10,000	per member/per occurrence

**Article II - Electronic Data Processing**

Data Processing Equipment Including Data and Media, Extra Expense, Business Income, Duplicates, Transit and Debris Removal	500,000,000	per occurrence
Computer Virus	250,000	\$10,000,000 NJSIF Annual Aggregate
Terrorism	Included in Property	
Deductible	1,000	per occurrence
Special Flood Hazard Area	500,000	per building content
All Other Flood Zones	10,000	per member/per occurrence

**WESTWOOD REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
(Unaudited)**

**Article III - Equipment Breakdown**

Combined Single Limit per Accident for Property Damage and Business Income	\$	100,000,000
Sublimits:		
Property Damage		Included
Off Premises Property Damage		1,000,000
Business Income		Included
Extra Expense		10,000,000
Service Interruption		10,000,000
Perishable Goods		1,000,000
Data Restoration		1,000,000
Contingent Business Income		1,000,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		1,000,000
Hazardous Substances		1,000,000
Newly Acquired Locations (120 days notice)		1,000,000
Terrorism		Included
Deductibles:		
\$25,000 per Accident for Property Damage		
12 Hours for Indirect Coverages		
Service Interruption Waiting Period - 24 Hours		

**Article IV - Crime**

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

**Article V - Comprehensive General Liability**

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

Source: District Records

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

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

EXHIBIT K-1

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of and for the fiscal year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Westwood Regional School District's basic financial statements and have issued our report thereon dated November 29, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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


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


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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Westwood Regional School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated November 29, 2023.

### **Purpose of this Report**

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

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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
November 29, 2023





LERCH, VINCI & BLISS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
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CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

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

**INDEPENDENT AUDITOR'S REPORT**

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

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

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

We have audited the Westwood Regional School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Westwood Regional School District's major federal and state programs for the fiscal year ended June 30, 2023. The Westwood Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

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



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

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

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

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

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

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

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

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

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

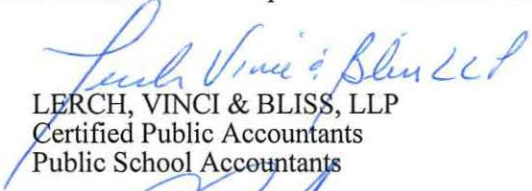
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

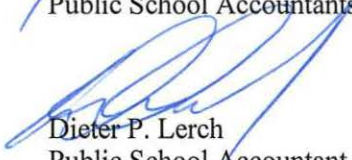
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated November 29, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
November 29, 2023

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

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance, June 30, 2022		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment- Carryover Receivables	Adjustments	Balance, June 30, 2023		Due to Grantor	MEMO GAAP Receivable
					Accounts Receivable	Unearned Revenue						(Accounts 'Receivable)	Unearned Revenue		
<b>U.S. Department of Education</b>															
Passed-through State Department of Education															
Special Revenue Fund:															
IDEA Part B Basic	84.027A	H027A210100	7/1/21-9/30/22	\$ 793,001	\$ (279,743)	\$ 84,812	\$ (84,812)	\$ 194,931		\$ 84,812					
ARP-IDEA Basic	84.027X	H027X210100	7/1/21-9/30/23	155,440	(12,296)	12,296			\$ 12,296			\$ (12,296)		\$ (12,296)	
IDEA Part B Basic	84.027A	H027A200100	7/1/22-9/30/23	791,085			84,812	644,467	758,617	(84,812)		(231,430)	\$ 117,280	\$ (114,150)	
IDEA Preschool	84.173	H173A210114	7/1/21-9/30/22	37,369	(14,650)	5,419	(5,419)	9,231		5,419					
ARP-IDEA Preschool	84.173X	H173X210114	7/1/21-9/30/23	13,265	(13,265)	9,376			9,376		\$ 352	(9,728)		(9,728)	
IDEA Preschool	84.173	H173A200114	7/1/22-9/30/23	40,218			5,419	25,322	34,488	(5,419)		(20,315)	11,149	(9,166)	
Special Education Cluster Total					(319,954)	111,903		877,488	815,129		352	(273,769)	128,429	(145,340)	
<b>Coronavirus Aid, Relief, and Economic Security (CARES) Act (ESSER I)</b>															
CARES Emergency Relief Grant	84.425d	S425D2000027	3/31/20-9/30/22	169,734	(12,790)	8,642		12,790	8,642						
<b>Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (ESSER II)</b>															
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	541,071	(541,071)	104,971		156,180	129,971		25,000	(384,891)		(384,891)	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	34,725	(4,681)	4,681			1,500			(4,681)	3,181	(1,500)	
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(33,035)			33,035							
<b>American Rescue Plan (ESSER III)</b>															
ARP	84.425U	S425U210027	3/31/20-9/30/24	1,216,021	(1,216,021)	1,216,021		153,970	1,216,021			(1,082,051)		(1,082,051)	
Accelerated Learning	84.425U	S425U210027	3/31/20-9/30/24	236,099	(236,099)	236,099		150,097	153,059			(86,002)	83,040	(2,962)	
Summer Learning	84.425U	S425U210027	3/31/20-9/30/24	40,000	(40,000)	33,800		40,000	33,800						
Mental Health Support	84.425U	S425U210027	3/31/20-9/30/24	45,000	(45,000)	45,000						(45,000)	45,000		
Beyond School	84.425U	S425U210027	3/31/20-9/30/24	40,000	(37,739)	29,659		8,080	13,600			(29,659)	16,059	(13,600)	
ESSER Cluster Total					(2,166,436)	1,678,873		534,152	1,556,593		25,000	(1,632,284)	147,280	(1,485,004)	
<b>ESEA Title I</b>															
ESEA Title I	84.010	S010A210030	7/1/21-9/30/22	139,989	(66,419)	2,174	(2,174)	64,245		2,174					
ESEA Title I	84.010	S010A200030	7/1/22-9/30/23	118,895			2,174	70,161	104,873	(2,174)		(50,906)	16,194	(34,712)	
ESEA Title IIA	84.367A	S367A210029	7/1/21-9/30/22	50,580	(33,588)	3,033	(2,101)	31,487		2,101					
ESEA Title IIA	84.367A	S367A200029	7/1/22-9/30/23	45,658			2,101	33,343	44,137	(2,101)		(14,416)	3,622	(10,794)	
ESEA Title III	84.365A	S365A210030	7/1/21-9/30/22	12,787	(2,718)	1,885	(999)	1,719	886	999					
ESEA Title III	84.365A	S365A200030	7/1/22-9/30/23	12,934			999	12,183	13,195	(999)		(1,750)	738	(1,012)	
ESEA Title IV	84.424A	S424A220031	7/1/22-9/30/23	11,620				9,418	9,418			(2,202)	2,202		
<b>Additional or Compensatory Special Education and Related Services (ACSERS)</b>															
	21.027	SLFRFD0E1SES	7/1/22-6/30/23	151,793				78,578	144,686			(73,215)	7,107	(66,108)	
<b>Total Special Revenue Fund</b>					(2,589,115)	1,797,888		1,712,774	2,689,869		25,352	(2,048,542)	305,572	(1,742,970)	
<b>U.S. Department of Health and Human Services</b>															
Passed-through State Department of Education															
General Fund															
Medical Assistance Program	93.778	2005NJ5MAP	7/1/22-6/30/23	9,806				9,806	9,806						
<b>U.S. Department of Agriculture</b>															
Passed-through State Department of Education															
Enterprise Fund:															
School Breakfast Program	10.553	221NJ304N1099	7/1/21-6/30/22	16,248	(15,756)			15,756							
School Breakfast Program	10.553	231NJ304N1099	7/1/22-6/30/23	4,554				3,490	4,554			(1,064)			
National School Lunch Program	10.555														
Supply Chain Assistance Funding		231NJ344N8903	7/1/22-6/30/23	133,021				133,021	133,021						
Non-Cash Assistance		231NJ304N1099	7/1/22-6/30/23	65,690				65,690	65,690						
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	1,276,827	(249,901)			249,901							
Cash Assistance		231NJ304N1099	7/1/22-6/30/23	281,159				227,459	281,159			(53,700)			
<b>Total Enterprise Fund / Child Nutrition Cluster</b>					(265,657)			697,317	486,424			(54,764)			
<b>Total Federal Awards</b>					\$ (2,854,772)	\$ 1,797,888	\$ -	\$ 2,419,897	\$ 3,186,999	\$ -	\$ 25,352	\$ (2,103,306)	\$ 305,572	\$ (1,742,970)	

WESTWOOD REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grant/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2022	Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	(Accounts Receivable) June 30, 2023	Unexpended Revenue June 30, 2023	Due to Grantor June 30, 2023	CAAP Acct. Receivable	Total Cumulative Expenditures
<b>State Department of Education</b>												
General Fund:												
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 2,210,392	\$ (182,523)	\$ 165,523			\$ (196,347)			\$	2,672,066
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,672,866	(4,910)	4,010	2,672,066					(4,043)	55,037
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	55,037	(4,910)	50,993							2,771,103
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	55,037	(166,533)	2,493,245	2,727,103		(200,391)			(36,192)	2,771,103
State Aid - Public Cluster Total												
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	422,522	(70,791)	30,791							422,522
Transportation Aid	22-495-034-5120-014	7/1/22-6/30/23	422,522	(39,298)	391,474	422,522		(31,048)			(36,192)	458,714
Additional Nonpublic Transportation Aid	N/A		39,298	(39,298)								
Transportation Aid - Cluster Total			36,192	(70,889)	461,563	458,714		(67,240)				1,220,837
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	1,174,223	(1,174,223)	1,174,223			(1,220,837)				1,220,837
Extraordinary Special Education Costs Aid	22-495-034-5120-473	7/1/22-6/30/23	1,220,837			1,220,837						1,972,068
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/21-6/30/22	1,894,594	(92,095)	92,095			(97,142)				128,059
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,972,068		1,874,926	1,972,068						9,230,258
On-Behalf TPAF Pension System Contributions (NCCI)	23-495-034-5094-007	7/1/22-6/30/23	128,059		128,059	128,059						4,183
On-Behalf TPAF Pension System Contributions (Normal Costs and Accrued Liability)	23-495-034-5094-006	7/1/22-6/30/23	9,230,258		9,230,258	9,230,258						2,458,407
On-Behalf TPAF Pension System Contributions (LTD)	23-495-034-5094-007	7/1/22-6/30/23	4,183		4,183	4,183						18,116,959
On-Behalf TPAF Pension System Contributions (Post Retirement)	23-495-034-5094-001	7/1/22-6/30/23	2,458,407		2,458,407	2,458,407						18,199,629
<b>Total General Fund</b>				(1,502,840)	18,116,959	18,199,629		(1,283,610)			(133,334)	18,199,629
<b>Special Revenue Funds:</b>												
N.J. Nonpublic Aid:												
Auxiliary Services:												
SL	22-100-034-5120-067	7/1/21-6/30/22	3,197	2,557			2,557					1,002
SL	23-100-034-5120-067	7/1/22-6/30/23	3,911	(558)	5,911	1,002				\$		3,210
Home Instruction	23-100-034-5120-067	7/1/22-6/30/23	3,210		398	3,210		(3,210)				4,212
Home Instruction	23-100-034-5120-067	7/1/22-6/30/23	3,210	1,992	5,569	4,212						30,905
Chapter 192 Cluster Total			49,285	19,706	42,654	30,905	19,706		11,749			7,719
Headsteped Services (Chapter 193):												
Examination & Classification	22-100-034-5120-066	7/1/21-6/30/22	42,654	4,855	42,654	30,905	4,855					24,183
Examination & Classification	23-100-034-5120-066	7/1/22-6/30/23	14,415	8,838	13,950	7,719	8,838		6,231			24,183
Concrete Speech	23-100-034-5120-066	7/1/22-6/30/23	32,214		29,406	35,193			4,312			63,817
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	29,406	33,299	86,010	63,817	33,299		22,132			128,829
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	137,276	16,436	128,125	125,829	16,436		2,296			22,487
Security Aid	23-100-034-5120-509	7/1/21-6/30/22	128,125	406		406						34,699
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	29,316		27,764	22,487			1,073			69,558
Technology Aid	23-100-034-5120-373	7/1/22-6/30/23	22,364	1,357		1,357			42			66,771
Technology Aid	23-100-034-5120-664	7/1/22-6/30/23	41,894		35,772	34,699	4,391					387,773
Textbook Aid	23-100-034-5120-664	7/1/22-6/30/23	35,772	4,391	70,000	69,558						439,103
Nursing Aid	22-100-034-5120-070	7/1/21-6/30/22	87,920									439,103
Nursing Aid	22-100-034-5120-070	7/1/22-6/30/23	70,000		66,771	66,771						439,103
SDA Emergency Needs and Capital Maintenance	N/A											
<b>Total Special Revenue Fund</b>			57,983	415,011	387,773	58,546		(3,210)		29,890		387,773
<b>Debt Service Funds:</b>												
Debt Service State Support												
	23-495-034-5120-075	7/1/22-6/30/23	439,103		439,103	439,103						439,103
<b>Total Debt Service Fund</b>			439,103		439,103	439,103						439,103
<b>State Department of Agriculture</b>												
<b>Enterprise Funds:</b>												
National School Lunch Program	22-100-010-3550-063	7/1/21-6/30/22	29,988	(5,751)	5,751							15,616
National School Lunch Program	23-100-010-3550-063	7/1/22-6/30/23	16,726	236					326			15,616
National School Lunch Program	23-100-010-3550-063	7/1/22-6/30/23	15,616	(5,423)	18,426	15,616		(2,941)				15,616
<b>Total Enterprise Fund</b>			61,330	(5,423)	18,426	15,616		(2,941)				15,616
<b>Total State Financial Assistance</b>												
			1,450,277	(1,450,277)	18,989,499	19,042,121	58,546	(1,591,761)	326	29,890		19,042,121
<b>Less: Amounts Not Subject to Single Audit and Major Program Determination</b>												
On-Behalf TPAF Pension System Contributions (Normal Costs, Accrued Liability and NCCI)					(9,358,317)	(9,358,317)						(9,358,317)
On-Behalf TPAF Pension System Contributions (LTD)					(4,183)	(4,183)						(4,183)
On-Behalf TPAF Pension System Contributions (Post Retirement)					(2,458,407)	(2,458,407)						(2,458,407)
<b>Total State Financial Assistance Subject to Single Audit and Major Program Determination Calculation</b>			\$ (1,450,277)	\$	7,168,992	7,221,214	\$ 58,546	\$ (1,591,761)	\$ 326	\$ 29,890	\$	7,221,214

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1 REPORTING ENTITY**

The Westwood Regional School District (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

**NOTE 2 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. 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 OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board’s financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$80,729 for the general fund and a decrease of \$947,599 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board’s financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 9,806	\$ 18,118,900	\$ 18,128,706
Special Revenue Fund	1,718,994	417,699	2,136,693
Debt Service Fund		439,103	439,103
Food Service Fund	<u>486,424</u>	<u>15,616</u>	<u>502,040</u>
Total Financial Assistance	<u>\$ 2,215,224</u>	<u>\$ 18,991,318</u>	<u>\$ 21,206,542</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 6 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,972,068 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. The amount reported as TPAF Pension System Contributions in the amount of \$9,358,317, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$2,458,407 and TPAF Long-Term Disability Insurance in the amount of \$4,183 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2023.

**NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

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

**NOTE 8 DE MINIMIS INDIRECT COST RATE**

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

**WESTWOOD REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to basic financial statements noted?            yes       X       no

**Federal Awards Section**

Internal Control over compliance:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance            yes       X       no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027A</u>	<u>H027A210100</u>	<u>IDEA Part B Basic</u>
<u>84.027X</u>	<u>H027X210100</u>	<u>ARP-IDEA Basic</u>
<u>84.173</u>	<u>H173A210114</u>	<u>IDEA Preschool</u>
<u>84.173X</u>	<u>H173X210114</u>	<u>ARP-IDEA Preschool</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>CARES Emergency Relief Grant (ESSER I)</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA-ESSER II</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP-ESSER III</u>

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

Auditee qualified as low-risk auditee?            yes       X       no

**WESTWOOD REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

Internal Control over compliance:

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

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

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

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

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
23-495-034-5094-003	TPAF Social Security Contributions
23-495-034-5120-089	Special Education Aid
23-495-034-5120-084	Security Aid
23-495-034-5120-014	Transportation Aid

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

Auditee qualified as low-risk auditee?   X   yes      \_\_\_\_\_ no



**WESTWOOD REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

*Part 2 – Schedule of Financial Statement Findings*

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

There are none.

WESTWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**WESTWOOD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

**CURRENT YEAR STATE AWARDS**

There are none.

**WESTWOOD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**STATUS OF PRIOR YEAR FINDINGS**

**Finding 2022-01**

Net cash resources of the food service enterprise fund exceeded three months average expenditures.

**Current Status**

See general comment section of auditor's management report.