

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Wyckoff, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Wyckoff Township Public Schools

Wyckoff, New Jersey

For The Fiscal Year Ended June 30, 2019

Prepared by

The Business Office

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Wyckoff School District

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Jeffrey Feifer, Ed.D.
Interim Superintendent of Schools

Patricia A. Salvati, CPA
School Business Administrator/Board Secretary

November 11, 2019

Honorable President, Members of the School
District and Citizens of Wyckoff Township
Wyckoff Township Public School District
Wyckoff, New Jersey 07481

Dear Board Members:

The comprehensive annual financial report of the Wyckoff Township Public School District (the "Board" or the "District") for the fiscal year ended June 30, 2019 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 Wyckoff Township Public School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual 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 Auditor's Report, Management's Discussion and Analysis, and basic financial statements including the government-wide financial statements presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments". The basic financial statements also include individual fund financial statements, Notes to the Financial Statements and Required Supplementary 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 New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES: The Wyckoff Township Public School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 13. All funds of the District are included in this report. The Wyckoff Township Public School District and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2018/2019 fiscal year with an average daily enrollment of 1,903 students, which reflects a decrease of 3.3% over the previous year's enrollment.

The following details the changes in the average daily enrollment of the District, net of special education out of district placements, over the last ten years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2018-2019	1,903	(3.3%)
2017-2018	1,968	(4.4%)
2016-2017	2,058	(0.008%)
2015-2016	2,075	(1.43%)
2014-2015	2,105	8.51
2013-2014	1,940	(8.27)
2012-2013	2,115	(6.21)
2011-2012	2,255	(3.05)
2010-2011	2,326	(1.48)
2009-2010	2,361	(1.25)

ECONOMIC CONDITION AND OUTLOOK: The Township of Wyckoff is a stable, vibrant, residential community, located approximately 27 miles from New York City that encompasses an area of approximately seven square miles with a total population of approximately 16,700. The Township's location affords residents employment opportunities throughout the deep and diverse New York City and northern New Jersey economies. The Township's unemployment rate, at 4.2% in June 2016, has historically trended below county, state, and national levels according to Standard & Poor's "Ratings Direct on the Global Credit Portal".

The above cited Standard & Poor's report also stated that the Township's tax base is sizable and stable. The Township underwent a revaluation of its property in 2015. The total assessed value for fiscal 2019 is \$4.715 billion, or \$276,273 per capita, which represents an increase of .34% over the fiscal 2018 amount of \$4.699 billion. Residential properties account for 93% of the assessed value, and the average assessed home value is \$790,000.

The District continues to find itself in a strong economic position as indicated by its AA+ long-term rating and school issuer credit rating from Standard & Poor's Ratings Services. For the current school year, on a budgetary basis, the district's General Fund ended the year with a fund balance of \$7,873,009 which represented an increase of \$1,108,711 over the prior year. The \$7.87 million balance represents 20.6% of the General Fund's current year's expenditures of \$38.28 million (budgetary basis), net of the State's on-behalf TPAF and Social Security payments of \$6.1 million and capital lease expenditures. As a result of this large surplus the district will be required, due to a 2% cap limitation imposed by the State, to put \$800,000 of its surplus into a Restricted Fund Balance category that will be utilized by the district as a revenue funding source in its 2020-2021 budget. In addition, \$950,000 of the surplus was utilized as a revenue funding source in its 2019-2020 budget.

The District's primary funding source is property tax revenue. The amount to be raised in taxes is determined by the Wyckoff Board of Education without voter approval through the District's normal budgeting process and, under P.L. 2011, c202 that the Wyckoff Board of Education implemented for the 2012-2013 year, is limited to a cap of 2%.

The district's strong fund balance position and the ability to guarantee the adoption of prudent budgets will enable the District to continue to provide its students with a high quality educational program while still remaining within the limits of a 2% tax levy cap that has been imposed by the State.

MAJOR INITIATIVES:

Capital Improvements –

The Wyckoff Public School District continues to invest significant resources into improving its infrastructure. The following projects were completed during the 2018-2019 year: Air Conditioning Installation and Unit Ventilator Replacement at Lincoln Elementary School and Air Conditioning Installation at Coolidge Elementary School, totaling \$1.4 million.

Curriculum -

The Wyckoff Public School District continuously focuses on strengthening practices and programs. Over the past year, our evidence-based research practices have supported our efforts to make significant improvements to our educational community.

We have continued to keep our focus aligned to three large umbrella areas, namely *Curriculum and Instruction*, *Cultivating a Connected Community*, and *Climate and Culture: Building a Caring Community*. In the area of Curriculum and Instruction, the focus is on meeting the needs of diverse learners, incorporating Reggio Emilia inspired instruction in Pre-K and Kindergarten classes, Block Play through grade 2 and Multiple Tiered Systems of Support (MTSS) for grades K-1. We are working on WELLNESS, and creating a wellness space in the middle school. We have written and are now implementing new social studies curriculum in K-5

Additionally, significant efforts were made to support new teachers to the Wyckoff School District through a revised and enhanced mentoring process, as well as a professional development in English Language Arts and Mathematics. This work continues to be revised and implemented with support for staff. We have added several early dismissals to further provide PD for staff.

In the area of Climate and Culture: Building a Caring Community, district elementary schools continue to learn and implement Responsive Classroom practices to promote social emotional wellness. Additionally, our staff worked with Dr. Derrick Gay, an expert in the field of inclusion and diversity, to equip our teachers and staff to recognize and address the needs of diverse learners. We have added a Connected Parent series of educational workshops for parents in an effort to keep them informed of our work in classrooms.

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 statement 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 is also 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 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.

BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the General, Special Revenue, and the Debt Service Funds. Project-length budgets are approved for the capital improvements and are 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30.

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

OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Higgins, LLP, CPAs, was selected by the School District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of New Jersey OMB Circular 15-08. The auditor's report on the basic financial statements, combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Facilities - The District's ongoing upgrades to all of its buildings ensures that its physical plant is able to accommodate the District's current and anticipated future student population needs, and meet all current building safety standards and building codes. The District deems the current available capital reserve funds adequate to meet future capital needs as they arise.

Long-Term Financial Planning – The District intends to prepare future budgets within the 2% tax cap levy mandated by the State of New Jersey. Additionally, the District continually monitors its ability to refinance its outstanding long-term obligations to capitalize on favorable market conditions.

Projected Enrollment – The District undertook a demographic study in conjunction with other contiguous school districts in May 2016 that projects future enrollments. The study indicates that the enrollment beginning with the 2017/18 school year will be declining based on birth rates of the prior five years.

AWARDS: The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the 16th consecutive year that the District applied for and received the award. This Certificate of Excellence is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Excellence, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Wyckoff Public School District and its teaching staff enjoy a long history of recognition for excellence including National Blue Ribbon Status, Benchmark School status (BCEE), and Lab School status (NJOE). Its most recent recognitions are as follows:

In 2013 Sicomac Elementary School was one of only 57 schools in the State to be named a “Reward School” by the State Department of Education for demonstrating a high overall level of performance on State tests.

In 2014 the Student Council of Coolidge School received the National Award for Excellence in the area of Community Service by the National Association of Elementary School Principals Foundation.

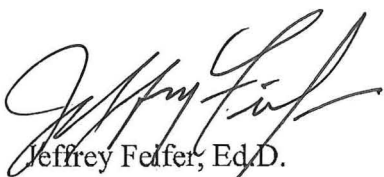
In 2014 Washington Elementary School was one of only 39 schools in the State to be named a “Reward School” by the State Department of Education for demonstrating a high overall level of performance on State tests.

In 2016 Eisenhower Middle School was one of 30 schools nationwide named as a School to Watch by the National Forum for Accelerating Middle Reform. Last year, EMS was once again selected as a School to Watch.


In 2018 the Wyckoff Township Public Schools was accepted to the League of Innovative Schools, a national coalition of 102 forward-thinking school districts organized by Digital Promise, a nonprofit organization with the mission to accelerate innovation in education and improve the opportunity to learn for all through technology and research.

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

Respectfully submitted,

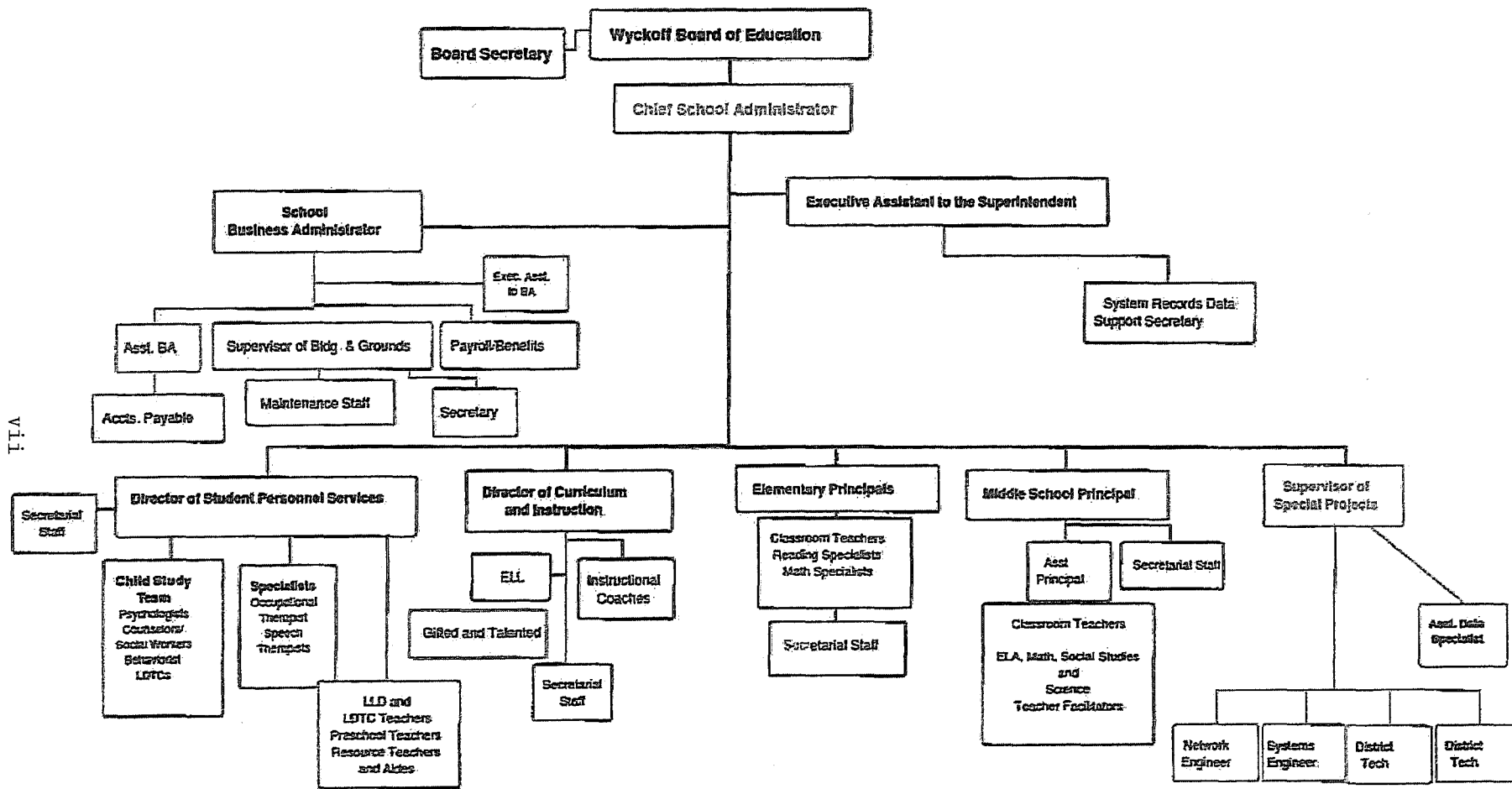


Jeffrey Feifer, Ed.D.
Interim Superintendent of Schools



Patricia A. Salvati, CPA
Board Secretary/School Business Administrator

WYCKOFF TOWNSHIP PUBLIC SCHOOLS ORGANIZATIONAL CHART



T.T.A.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
WYCKOFF, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2019**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Anthony R. Francin, President	January 2021
Lisa Martone, Vice President	January 2021
Renee Kaspar	January 2022
Georgina Nico	January 2022
Christopher Della Pietra	January 2020
Timothy Murtha	January 2020
Daniel McHugh	January 2020

Other Officials

Dr. Jeffrey Feifer	Interim Superintendent of Schools
Patricia A. Salvati, CPA	Board Secretary / School Business Administrator

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
WYCKOFF, NEW JERSEY**

Consultants and Advisors

Architect

DiCara & Rubino
30 Galesi Dr.
Wayne, NJ 07470

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 Route 208
Fair Lawn, New Jersey 07410

Attorney

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

Official Depositories

Capital One Bank
10 Godwin Ave.
Ridgewood, NJ 07450



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Wyckoff Township Public Schools

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, appearing to read 'Tom Wohleber'.

Tom Wohleber, CSRM
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

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

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
SHERYL M. LEIDIG, CPA, PSA
ROBERT LERCH, CPA
CHRIS SOHN, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Wyckoff Township Public Schools
Wyckoff, New Jersey

Report on the Financial Statements

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 Wyckoff Township Public Schools, as of and for the fiscal year ended June 30, 2019 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 the Government Auditing Standards, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Wyckoff Township Public Schools as of June 30, 2019, 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.

Other Matters

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, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wyckoff Township Public Schools' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards 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 Wyckoff Township Public Schools.

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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.

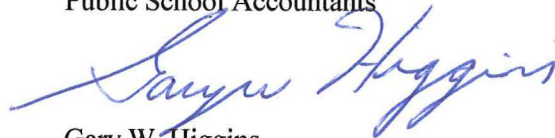
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2019 on our consideration of the Wyckoff Township Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Wyckoff Township Public Schools' 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 Wyckoff Township Public Schools' internal control over financial reporting and compliance.



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
November 11, 2019

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

The discussion and analysis of the Wyckoff Township Public Schools' (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, Notes to the Financial Statements as well as the financial statements themselves to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required and Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments".

Financial Highlights

- The assets and deferred outflows of resources of the Wyckoff Township Public Schools exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$17,681,529 (net position).
- The District's total net position increased \$1,467,679. The increase is attributable to current year operating results.
- General revenues accounted for \$39,364,023 in revenue or 74 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants accounted for \$13,975,471 or 26 percent of total revenues of \$53,339,494.
- The District had \$51,260,738 in expenses related to governmental activities; only \$13,305,230 was offset by program specific charges for services, grants or contributions. General revenues net of transfers (primarily property taxes) of \$39,327,489 were adequate to provide for these programs.
- Among governmental funds, the General Fund (GAAP Basis) had \$45,706,144 in revenues and other financing sources and \$44,659,132 in expenditures and other financing uses. The General Fund's fund balances increased by \$1,047,012. This increase is the net result of current year operations.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Wyckoff Township Public Schools as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The discussion and analysis are intended to serve as an introduction to the Wyckoff Township Public Schools District's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The *Government-wide financial statements* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. *Fund financial statements* provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds. In the case of the Wyckoff Township Public Schools, the General Fund is by far the most significant fund.

Government-Wide Financial Statements

One of the most important questions asked about the District is "How did we do financially during the fiscal year ended June 30, 2019?" The *Statement of Net Position* and the *Statement of Activities*, which appear first in the District's financial statements, report information on the District as a whole and its activities in such a way as to answer this question. These statements include all assets, deferred outflows/inflows of resources and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extra-curricular activities.

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Government-Wide Financial Statements (Continued)

- Business-Type Activities – These services are provided on a charge for goods or services basis to recover the cost of the goods and services provided. The District's food service, summer enrichment, pay to participate, social club and technology programs are each reported as a business-type activity.

Fund Financial Statements

Fund financial statements provide detailed information about the District's many funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund, and Debt Service Fund. The District's Enterprise Fund includes the Food Services Fund, Summer Enrichment Fund, Pay to Participate Fund, Social Club Fund and Technology Program Fund. These funds are more fully explained in the *Notes to the Financial Statements*.

Government Funds

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

Notes to the Financial Statements

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
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Other Information

In addition to the basic financial statements, 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 each of these funds as required supplementary information. Additionally, certain required supplementary information regarding pensions as required by GASB No. 68 and postemployment benefits as required by GASB No. 75 is presented. 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.

Government-Wide Financial Analysis

The *Statement of Net Position* provides the perspectives of the District as a whole, showing assets and deferred outflows of resources versus liabilities and deferred inflows of resources and the difference between them (net position). Net position may serve over time as a useful indicator of a government's financial position. In the case of the Wyckoff Township Public Schools', assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17,681,529 and \$16,213,850 at June 30, 2019 and 2018, respectively.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are *not* available for future spending. Although the District's investment in 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.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2019

Government-Wide Financial Analysis (Continued)

Table 1 provides a summary of the District's net position as of June 30, 2019 and 2018.

Table 1
Net Position
as of June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and Other Assets	\$ 7,803,808	\$ 6,764,388	\$ 513,474	\$ 368,639	\$ 8,317,282	\$ 7,133,027
Capital Assets						
Net of Accumulated Depreciation	<u>38,528,421</u>	<u>39,132,830</u>	<u>225,009</u>	<u>235,878</u>	<u>38,753,430</u>	<u>39,368,708</u>
Total Assets	<u>46,332,229</u>	<u>45,897,218</u>	<u>738,483</u>	<u>604,517</u>	<u>47,070,712</u>	<u>46,501,735</u>
Deferred Outflows of Resources						
Deferred Amounts on Refunding of Debt	1,228,091	1,435,751			1,228,091	1,435,751
Deferred Amount on Net Pension Liability	<u>2,610,612</u>	<u>2,985,976</u>	<u>-</u>	<u>-</u>	<u>2,610,612</u>	<u>2,985,976</u>
Total Deferred Outflows of Resources	<u>3,838,703</u>	<u>4,421,727</u>	<u>-</u>	<u>-</u>	<u>3,838,703</u>	<u>4,421,727</u>
Liabilities						
Long-term Liabilities	29,336,603	31,661,601			29,336,603	31,661,601
Other Liabilities	<u>515,882</u>	<u>534,938</u>	<u>132,964</u>	<u>94,336</u>	<u>648,846</u>	<u>629,274</u>
Total Liabilities	<u>29,852,485</u>	<u>32,196,539</u>	<u>132,964</u>	<u>94,336</u>	<u>29,985,449</u>	<u>32,290,875</u>
Deferred Inflows of Resources						
Deferred Amount on Net Pension Liability	<u>3,242,437</u>	<u>2,418,737</u>	<u>-</u>	<u>-</u>	<u>3,242,437</u>	<u>2,418,737</u>
Total Deferred Inflows of Resources	<u>3,242,437</u>	<u>2,418,737</u>	<u>-</u>	<u>-</u>	<u>3,242,437</u>	<u>2,418,737</u>
Net Position						
Net Investment in						
Capital Assets	19,865,807	19,296,164	225,009	235,878	20,090,816	19,532,042
Restricted	4,797,840	3,481,289			4,797,840	3,481,289
Unrestricted	<u>(7,587,637)</u>	<u>(7,073,784)</u>	<u>380,510</u>	<u>274,303</u>	<u>(7,207,127)</u>	<u>(6,799,481)</u>
Total Net Position	<u>\$ 17,076,010</u>	<u>\$ 15,703,669</u>	<u>\$ 605,519</u>	<u>\$ 510,181</u>	<u>\$ 17,681,529</u>	<u>\$ 16,213,850</u>

The District's combined net position increased \$1,467,679 during the year ended June 30, 2018. This was an increase of 9.05 percent from the prior year.

Governmental Activities

- Net investment in capital assets increased \$569,643 as the result of acquisitions and debt reductions exceeding depreciation.
- Restricted net position increased \$1,316,551 as a result of Board approved deposits into the capital reserve exceeding budgeted withdrawals and the Board approved deposits into the maintenance reserve of \$150,000.
- Unrestricted net position decreased \$513,853 due to the net results of current year operations.

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Government-Wide Financial Analysis (Continued)

Business-Type Activities

- Net investment in capital assets decreased \$10,869 as a result of depreciation exceeding acquisitions of capital assets.
- Unrestricted net position increased \$106,207 due to the net results of current year operations.

Table 2 shows changes in net position for fiscal years ended June 30, 2019 and 2018.

Table 2
Change in Net Position
for the Fiscal Years Ended June 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues:						
Charge for Services	\$ 100,259	\$ 81,649	\$ 670,241	\$ 590,908	\$ 770,500	\$ 672,557
Operating Grants and Contributions	13,204,971	15,952,682			13,204,971	15,952,682
General Revenues:						
Property Taxes	39,224,801	38,485,136			39,224,801	38,485,136
Other	138,048	196,391	1,174	583	139,222	196,974
Total Revenues	<u>52,668,079</u>	<u>54,715,858</u>	<u>671,415</u>	<u>591,491</u>	<u>53,339,494</u>	<u>55,307,349</u>
Program Expenses						
Instruction	30,191,361	32,020,650			30,191,361	32,020,650
Support Services:						
Student and Instruction Related Services	10,011,692	10,087,030			10,011,692	10,087,030
General Administration, School Administration, Business/Central, Operations and Maintenance of Facilities	9,551,351	9,778,603			9,551,351	9,778,603
Pupil Transportation	729,828	705,836			729,828	705,836
Interest and Other Charges on Debt	776,506	834,903			776,506	834,903
Food Service, Summer Enrichment, Social Club, Chromebook Program and Pay to Participate	-	-	611,077	551,639	611,077	551,639
Total Expenses	<u>51,260,738</u>	<u>53,427,022</u>	<u>611,077</u>	<u>551,639</u>	<u>51,871,815</u>	<u>53,978,661</u>
Change in Net Position Before Transfers	1,407,341	1,288,836	60,338	39,852	1,467,679	1,328,688
Transfers	<u>(35,000)</u>	<u>(68,112)</u>	<u>35,000</u>	<u>68,112</u>	<u>-</u>	<u>-</u>
Change in Net Position	1,372,341	1,220,724	95,338	107,964	1,467,679	1,328,688
Net Position, Beginning of Year	<u>15,703,669</u>	<u>14,482,945</u>	<u>510,181</u>	<u>402,217</u>	<u>16,213,850</u>	<u>14,885,162</u>
Net Position, End of Year	<u>\$ 17,076,010</u>	<u>\$ 15,703,669</u>	<u>\$ 605,519</u>	<u>\$ 510,181</u>	<u>\$ 17,681,529</u>	<u>\$ 16,213,850</u>

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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Government-Wide Financial Analysis (Continued)

Governmental Activities

The District's total revenues were \$52,668,079 and \$54,715,858 for the years ended June 30, 2019 and 2018, respectively. Property taxes made up 74 and 70 percent of revenues for governmental activities for the District for fiscal years 2019 and 2018, respectively. Federal, State and local grants made up 25 and 29 percent of revenues for governmental activities for the Wyckoff Township Public Schools for the years ended June 30, 2019 and 2018, respectively. The majority of the decrease in revenues of \$2,047,779 from 2018 to 2019 is attributable to the net of an increase in property taxes of \$739,665 and a decrease of on-behalf other post-employment benefits revenue of \$1,386,087 and a decrease in on-behalf TPAF pension revenue of \$1,695,146 which is offset with the related pension expense.

The total cost of all programs and services was \$51,260,738 and \$53,427,022 for the years ended June 30, 2019 and 2018, respectively. Instruction comprises 59 and 60 percent of governmental activities program expenses for the years ended June 30, 2019 and 2018, respectively. Support services expenses make up 40 and 39 percent of governmental activities expenses for the years ended June 30, 2019 and 2018, respectively. The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services for the fiscal years ended June 30, 2019 and 2018. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Total and Net Cost of Governmental Activities
for the Fiscal Year Ended June 30, 2019 and 2018

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Instruction	\$ 30,191,361	\$ 32,020,650	\$ 20,997,589	\$ 20,634,036
Support Services:				
Student and Instructional Related Services	10,011,692	10,087,030	7,273,420	6,862,700
General Administration, School Admin., Business/ Central, Operation and Maintenance of Facilities	9,551,351	9,778,603	8,500,963	8,465,025
Pupil Transportation	729,828	705,836	407,030	596,027
Interest on Debt	<u>776,506</u>	<u>834,903</u>	<u>776,506</u>	<u>834,903</u>
Total Expenses	<u>\$ 51,260,738</u>	<u>\$ 53,427,022</u>	<u>\$ 37,955,508</u>	<u>\$ 37,392,691</u>

Business-Type Activities

The District's business-type activities include the food service operation, summer enrichment program, social club, pay-to-participate program and technology program. The programs had revenues and transfers from the General Fund of \$706,415 and \$659,603 and expenses of \$611,077 and \$551,639 in years 2019 and 2018, respectively. Of these revenues, \$670,241 and \$590,908 were charges for services paid by patrons for the years 2019 and 2018, respectively.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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For the Fiscal Year Ended June 30, 2019

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$7,445,623. As of June 30, 2018, the fund balance was \$6,398,611. This increase of \$1,047,012 is the result of current operations.

Revenues and other financing sources for the District's governmental funds were \$48,317,155, while total expenses and other financing uses were \$47,270,143.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students including pupil transportation activities and other support services.

The following schedule presents a summary of General Fund revenues.

	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 37,590,307	\$ 36,853,242	\$ 737,065	2%
Tuition	63,732	54,192	9,540	18%
Interest	83,198	33,931	49,267	145%
Other	87,026	128,047	(41,021)	-32%
State Sources	<u>7,662,865</u>	<u>6,756,414</u>	<u>906,451</u>	13%
Total General Fund Revenues	<u>\$ 45,487,128</u>	<u>\$ 43,825,826</u>	<u>\$ 1,661,302</u>	4%

Total General Fund Revenues increased by \$1,661,302 or 4% compared with the previous year.

Local property taxes increased \$737,065 or approximately 2% from the previous year which is in compliance with the State mandated CAP on property taxes. State aid revenues increased \$906,451 or 13% predominantly attributable to the increase in the State's contribution for on-behalf TPAF pension system accrued liability costs in the amount of \$784,363.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Continued)

Governmental Funds (Continued)

General Fund (Continued)

Interest income revenues increase significantly due to an increase in interest rates and cash balances.

Tuition revenues remained constant.

Miscellaneous revenues decreased due to lower miscellaneous income compared to the prior year.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2019</u>	Fiscal Year Ended <u>June 30, 2018</u>	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 25,630,594	\$ 24,749,473	\$ 881,121	4%
Support Services	17,443,017	16,517,417	925,600	6%
Debt Service	417,626	508,668	(91,042)	-18%
Capital Outlay	<u>1,132,895</u>	<u>1,355,225</u>	<u>(222,330)</u>	-16%
Total Expenditures	<u>\$ 44,624,132</u>	<u>\$ 43,130,783</u>	<u>\$ 1,493,349</u>	3%

Total General Fund expenditures increased \$1,493,349 or 3% from the previous year.

In 2018/19 General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$1,047,012. As a result, total fund balance increased to \$7,445,623 at June 30, 2019. The unassigned fund balance increased from \$706,089 at June 30, 2018 to \$708,494 at June 30, 2019.

Instruction increased \$881,121 or 4% over the previous year mainly due to contractual salary increases.

Support services increased \$925,600 or 6% over the fiscal year 2017/18 due to increases in on-behalf TPAF pension system costs, contractual salaries and professional services.

Debt service decreased \$91,042 mainly due to the decrease in payments on capital leases.

Capital outlay decreased by \$222,330 or 16% due to a decrease in capital expenditures funded by the budget in 2018/19.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Continued)

Governmental Funds (Continued)

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

Revenues of the Special Revenue Fund were \$976,517, for the year ended June 30, 2019. Federal sources accounted for the majority of Special Revenue Fund's revenue, which represented 50% of the total revenues for the year.

Total Special Revenue Fund revenues increased \$40,747 or 4% from the previous year. Federal sources decreased \$73,703 or 13%, State sources increased \$71,067 or 22% and local sources increased \$43,383 or 97%.

Expenditures of the Special Revenue Fund were \$976,517. Instructional expenditures accounted for \$464,494 or 48% of the expenditures for the year ended June 30, 2019, while support services of \$478,536 accounted for 49% of the expenditures. Capital outlay expenditures of \$33,487 accounted for 3%.

Debt Service Fund – The Debt Service Fund expenditures were entirely funded with property taxes of \$1,634,494. As a result, total fund balance remained at \$0 at June 30, 2019.

Proprietary Funds

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

Enterprise Fund - The District uses an Enterprise Fund to report activities related to the Food Services, Summer Enrichment, Social Club, Technology and Pay to Participate Programs. The District's Enterprise Fund provides the same type of information found in the government-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.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

The School District's Governmental Funds

All governmental funds (i.e., general fund, special revenue fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$48,098,139 and \$46,393,490 for the years ended June 30, 2019 and 2018, respectively.

Total expenditures amounted to \$47,235,143 and \$45,698,447 for the years ended June 30, 2019 and 2018, respectively.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The following schedule presents a comparison of the revenues of the governmental funds for the fiscal years ending June 30, 2019 and 2018.

<u>Revenues</u>	<u>Amount</u>		<u>Increase/(Decrease)</u> <u>2018 vs. 2019</u>	
	<u>2019</u>	<u>2018</u>	<u>Amount</u>	<u>Percent</u>
Local Sources	\$ 39,546,784	\$ 38,745,950	\$ 800,834	2.07%
State Sources	8,062,609	7,085,091	977,518	13.80%
Federal Sources	<u>488,746</u>	<u>562,449</u>	<u>(73,703)</u>	-13.10%
Total	<u>\$ 48,098,139</u>	<u>\$ 46,393,490</u>	<u>\$ 1,704,649</u>	3.67%

The increase in local sources of \$800,834 is the net result of a \$739,665 increase in the overall property tax levy, an increase of \$49,267 in interest income and a \$11,902 increase in miscellaneous revenues.

The increase in State sources of \$977,518 is mainly the result of the increase in on-behalf budgetary TPAF pension revenue of \$784,363 and additional public aid of \$120,733 over the prior year.

The decrease in Federal sources of \$73,703 is the result of a decrease in grant funds realized.

The following schedule represents a comparison of the governmental funds expenditures for the fiscal years ending June 30, 2019 and 2018.

<u>Expenditures</u>	<u>Amount</u>		<u>Increase/(Decrease)</u> <u>2018 vs. 2019</u>	
	<u>2019</u>	<u>2018</u>	<u>Amount</u>	<u>Percent</u>
Current Expense:				
Instruction	\$ 26,095,088	\$ 25,235,127	\$ 859,961	3.41%
Support Services	17,921,553	16,967,533	954,020	5.62%
Capital Outlay	1,166,382	1,355,225	(188,843)	-13.93%
Debt Service:				
Principal	1,335,098	1,368,549	(33,451)	-2.44%
Interest and Other Charges	<u>717,022</u>	<u>772,013</u>	<u>(54,991)</u>	-7.12%
Total	<u>\$ 47,235,143</u>	<u>\$ 45,698,447</u>	<u>\$ 1,536,696</u>	3.36%

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
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The School District's Funds (Continued)

The increase in instruction and support services expenditures of \$859,961 and \$954,020, respectively is primarily the result of contractual increases.

The decrease in capital outlay of \$188,843 is the result of the District expending less in fiscal year 2019 on capital additions.

The decrease in debt service expenditures is the result of a decrease in capital lease payments.

General Fund Budgeting Highlights

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

During the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

The following schedule represents a comparison of the original and final amended budget amounts.

<u>Expenditures</u>	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Increase/(Decrease) Over Original Budget</u>	
			<u>Amount</u>	<u>Percent</u>
Current				
Instruction	\$ 16,591,141	\$ 16,552,842	\$ (38,299)	-0.23%
Undistributed	22,978,986	23,369,567	390,581	1.70%
Capital Outlay	<u>1,552,286</u>	<u>1,631,970</u>	<u>79,684</u>	5.13%
Total	<u>\$ 41,122,413</u>	<u>\$ 41,554,379</u>	<u>\$ 431,966</u>	1.05%

The increase in the final modified budget of \$431,966 is attributable to the appropriation of additional current year state aid and the reappropriation of prior year encumbrances.

The following schedule represents a comparison of the final modified budget and actual budget results:

<u>Expenditures</u>	<u>Final Amended Budget</u>	<u>Actual Budget Results</u>	<u>Increase/(Decrease) Over Final Amended Budget</u>	
			<u>Amount</u>	<u>Percent</u>
Current				
Instruction	\$ 16,552,842	\$ 16,209,671	\$ (343,171)	-2.07%
Undistributed	23,369,567	27,274,342	3,904,775	16.71%
Capital Outlay	<u>1,631,970</u>	<u>1,175,119</u>	<u>(456,851)</u>	-27.99%
Total	<u>\$ 41,554,379</u>	<u>\$ 44,659,132</u>	<u>\$ 3,104,753</u>	7.47%

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
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General Fund Budgeting Highlights (Continued)

The total actual budget results of \$44,659,132 is greater than the total final amended budget of \$41,554,379 by \$3,104,753 and is primarily attributable to the following:

Increases to the actual budget results –

- The On Behalf TPAF Benefits is a statutory, non-budgeted line item resulting in an increase to the actual budget results of \$6,127,419.
- The Supplies Acquired Under Capital Leases is a statutory, non-budgeted line item resulting in an increase to the actual budget results of \$219,016.

Decreases to the actual budget results –

- A decrease in the total amount spent on salaries of \$741,482 mainly due to a savings of \$535,746 in teacher and administrative salaries, primarily the result of the retirements and changes in staff, \$188,027 from the elimination of two positions and \$17,709 from reduced maintenance overtime.
- A decrease in the total amount spent on classroom supplies and textbooks of \$98,061, primarily the result of savings obtained through consortium purchase agreements and reduced textbook needs.
- A decrease in the total amount spent on the improvement of instructional services of \$32,949, primarily the result of a reduction in outside training consultants.
- A decrease in the total amount spent on special education costs of \$542,048, primarily the result of a \$382,759 reduction in out-of-district tuition costs due to an increase in the number of special needs students kept in district; and a decrease of \$159,289 in needed purchased professional education services.
- A decrease in the total amount spent on facility operation and maintenance, and security of \$546,242, primarily the result of a reduction in purchased repair and maintenance services of \$308,523, due to the utilization of in-house maintenance staff performing routine and complex repairs; a reduction in supply costs of \$74,323, primarily the result of savings obtained through consortium purchase agreements; and energy savings of \$163,396 as a result of favorable energy prices and a warmer winter than anticipated.
- A decrease in the total amount spent on student transportation services of \$88,694 due to a reduction in out-of-district bussing for special needs students.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

General Fund Budgeting Highlights (Continued)

- A decrease in the total amount spent on employee benefits of \$531,555 primarily the result of a \$446,061 savings in health, prescription, and dental coverages, due to a lower than anticipated increase in premium rates; and a \$26,561 reduced contributions to the Public Employees Retirement System and Social Security as a result of reduced salaries and a \$22,184 reduction in sick day payment.
- A decrease in the total amount spent on general administration costs of \$186,856 due to a decrease of \$64,963 in legal expense, and a reduction in professional service fees and communication costs of \$49,580 and \$14,486, respectively.
- A decrease in the total amount spent on Capital Outlay of \$456,851, primarily the result of lower than anticipated construction costs of \$397,962.
- Overall expenditure savings of \$16,944 primarily the result of prudent spending.

The following schedule represents a comparison of the original budget and actual budget results:

<u>Expenditures</u>	<u>Original Budget</u>	<u>Actual Budget Results</u>	<u>Increase/(Decrease) Over Original Budget</u>	
			<u>Amount</u>	<u>Percent</u>
Current				
Instruction	\$ 16,591,141	\$ 16,209,671	\$ (381,470)	-2.30%
Undistributed	22,978,986	27,274,342	4,295,356	18.69%
Capital Outlay	<u>1,552,286</u>	<u>1,175,119</u>	<u>(377,167)</u>	-24.30%
Total	<u>\$ 41,122,413</u>	<u>\$ 44,659,132</u>	<u>\$ 3,536,719</u>	8.60%

The increase of \$3,536,719 between the actual budget results and the original budget is derived from the combination of \$431,966 as identified in the above analysis comparing the original budget to the final modified budget and \$3,104,753 identified in the schedule comparing the final amended budget to actual budget results.

Capital Assets

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2019 is \$38,753,430 net of accumulated depreciation. The decrease in capital assets of \$615,278 net of accumulated depreciation, from the period ending June 30, 2018, was the result of depreciation expense being greater than current year capital assets additions. The capital assets consist of land, construction in progress, buildings and building improvements, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2018-19 amounted to \$1,846,802 for governmental activities and \$19,000 for business-type activities. Additional information on capital assets may be found in Note 4D to the financial statements.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019

Capital Assets (Continued)

Table 4
Capital Assets at June 30, 2019 and 2018
(Net of Accumulated Depreciation)

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 323,568	\$ 323,568			\$ 323,568	\$ 323,568
Construction in Progress	130,160	151,557			130,160	151,557
Buildings and Building Improvements	58,221,634	57,149,163	229,249	229,249	58,450,883	57,378,412
Machinery and Equipment	<u>3,409,874</u>	<u>3,416,115</u>	<u>129,396</u>	<u>121,265</u>	<u>3,539,270</u>	<u>3,537,380</u>
 Subtotal	 62,085,236	 61,040,403	 358,645	 350,514	 62,443,881	 61,390,917
 Less: Accumulated Depreciation	 <u>(23,556,815)</u>	 <u>(21,907,573)</u>	 <u>(133,636)</u>	 <u>(114,636)</u>	 <u>(23,690,451)</u>	 <u>(22,022,209)</u>
 Total Capital Assets, Net of Accumulated Depreciation	 <u>\$ 38,528,421</u>	 <u>\$ 39,132,830</u>	 <u>\$ 225,009</u>	 <u>\$ 235,878</u>	 <u>\$ 38,753,430</u>	 <u>\$ 39,368,708</u>

Long-Term Liabilities

At June 30, 2019 the District had \$28,765,898 of long-term liabilities comprised of capital leases payable, compensated absences, net pension liability and bonds payable for school construction in the amounts of \$219,016, \$764,891, \$8,461,991 and \$19,320,000, respectively. At June 30, 2018 the District had \$30,954,184 of long-term liabilities comprised of capital lease payable, compensated absences, net pension liability and bonds payable for school construction in the amounts of \$90,098, \$902,674, \$9,396,412 and \$20,565,000, respectively.

Additional information on long-term liabilities may be found in Note 4G of the financial statements.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019***

For the Future

The Wyckoff Township Public Schools is in excellent financial condition presently. The District is grateful for the community support of the public schools. A major concern of the District is its increasing reliance on property taxes.

In conclusion, the Wyckoff Township Public Schools has committed itself to financial and educational excellence. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

Contacting the District's Financial Management

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Patricia A. Salvati, Business Administrator/Board Secretary at Wyckoff Township Public Schools, 241 Morse Avenue, Wyckoff, NJ 07481.

FINANCIAL STATEMENTS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 7,680,172	\$ 503,400	\$ 8,183,572
Receivables, net			
Receivables from Other Governments	107,254		107,254
Other	16,382	1,522	17,904
Prepaid Items		3,603	3,603
Inventory		4,949	4,949
Capital Assets, net			
Not Being Depreciated	453,728		453,728
Being Depreciated	<u>38,074,693</u>	<u>225,009</u>	<u>38,299,702</u>
Total Assets	<u>46,332,229</u>	<u>738,483</u>	<u>47,070,712</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding of Debt	1,228,091		1,228,091
Deferred Amount on Net Pension Liability	<u>2,610,612</u>	<u>-</u>	<u>2,610,612</u>
Total Deferred Outflows of Resources	<u>3,838,703</u>	<u>-</u>	<u>3,838,703</u>
LIABILITIES			
Accounts Payable	245,502	8,384	253,886
Payable to State Government	28,754		28,754
Accrued Interest Payable	157,697		157,697
Unearned Revenue	83,929	124,580	208,509
Noncurrent Liabilities			
Due Within One Year	1,456,871		1,456,871
Due Beyond One Year	<u>27,879,732</u>	<u>-</u>	<u>27,879,732</u>
Total Liabilities	<u>29,852,485</u>	<u>132,964</u>	<u>29,985,449</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	<u>3,242,437</u>	<u>-</u>	<u>3,242,437</u>
Total Deferred Inflows of Resources	<u>3,242,437</u>	<u>-</u>	<u>3,242,437</u>
NET POSITION			
Net Investment in Capital Assets	19,865,807	225,009	20,090,816
Restricted for:			
Capital Projects	4,547,840		4,547,840
Maintenance	250,000		250,000
Unrestricted	<u>(7,587,637)</u>	<u>380,510</u>	<u>(7,207,127)</u>
Total Net Position	<u>\$ 17,076,010</u>	<u>\$ 605,519</u>	<u>\$ 17,681,529</u>

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 22,973,454		\$ 6,177,018		\$ (16,796,436)		\$ (16,796,436)
Special Education	6,126,183	\$ 63,732	2,635,921		(3,426,530)		(3,426,530)
Other Instruction	928,851		272,475		(656,376)		(656,376)
School Sponsored Activities and Athletics	162,873		44,626		(118,247)		(118,247)
Support Services							
Student and Instruction Related Services	10,011,692		2,738,272		(7,273,420)		(7,273,420)
General Administration Services	1,224,388		110,677		(1,113,711)		(1,113,711)
School Administration Services	3,155,709		645,947		(2,509,762)		(2,509,762)
Business / Central Services	962,367		144,052		(818,315)		(818,315)
Plant Operations and Maintenance	4,208,887		149,712		(4,059,175)		(4,059,175)
Pupil Transportation	729,828	36,527	286,271		(407,030)		(407,030)
Debt Service Interest and Other Charges	776,506	-	-	-	(776,506)	-	(776,506)
Total Governmental Activities	<u>51,260,738</u>	<u>100,259</u>	<u>13,204,971</u>	<u>-</u>	<u>(37,955,508)</u>	<u>-</u>	<u>(37,955,508)</u>
Business-Type Activities							
Food Service	455,026	502,227				\$ 47,201	47,201
Summer Enrichment Program	55,603	80,745				25,142	25,142
Social Club	32,354	50,660				18,306	18,306
Technology Program	24,740	19,509				(5,231)	(5,231)
Pay to Participate	43,354	17,100	-	-	-	(26,254)	(26,254)
Total Business-Type Activities	<u>611,077</u>	<u>670,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,164</u>	<u>59,164</u>
Total Primary Government	<u>\$ 51,871,815</u>	<u>\$ 770,500</u>	<u>\$ 13,204,971</u>	<u>\$ -</u>	<u>(37,955,508)</u>	<u>59,164</u>	<u>(37,896,344)</u>
General Revenues:							
Property Taxes levied for General Purposes					37,590,307		37,590,307
Property Taxes levied for Debt Service					1,634,494		1,634,494
State Aid - Unrestricted					4,351		4,351
Investment Earnings					83,198	1,174	84,372
Miscellaneous Income					50,499		50,499
Transfers					(35,000)	35,000	-
Total General Revenues and Transfers					<u>39,327,849</u>	<u>36,174</u>	<u>39,364,023</u>
Change in Net Position					1,372,341	95,338	1,467,679
Net Position, Beginning of year					<u>15,703,669</u>	<u>510,181</u>	<u>16,213,850</u>
Net Position, End of year					<u>\$ 17,076,010</u>	<u>\$ 605,519</u>	<u>\$ 17,681,529</u>

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

FUND FINANCIAL STATEMENTS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2019

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
ASSETS				
Assets				
Cash and Cash Equivalents	\$ 7,615,371	\$ 64,801		\$ 7,680,172
Receivables				
Intergovernmental	21,941	85,313		107,254
Other	16,382	-	-	16,382
	<u>7,653,694</u>	<u>150,114</u>	<u>-</u>	<u>7,803,808</u>
Total Assets	<u>\$ 7,653,694</u>	<u>\$ 150,114</u>	<u>\$ -</u>	<u>\$ 7,803,808</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 202,071	\$ 43,431		\$ 245,502
Intergovernmental Payable - State		28,754		28,754
Unearned Revenue	6,000	77,929	-	83,929
	<u>208,071</u>	<u>150,114</u>	<u>-</u>	<u>358,185</u>
Total Liabilities	<u>208,071</u>	<u>150,114</u>	<u>-</u>	<u>358,185</u>
Fund Balances				
Restricted				
Excess Surplus - Designated for				
Subsequent Year's Expenditures	950,000			950,000
Excess Surplus	800,000			800,000
Capital Reserve	3,252,340			3,252,340
Capital Reserve - Designated for Subsequent Year's Expenditures	1,295,500			1,295,500
Maintenance Reserve	250,000			250,000
Assigned				
Year End Encumbrances	189,289			189,289
Unassigned				
General Fund	708,494	-	-	708,494
	<u>7,445,623</u>	<u>-</u>	<u>-</u>	<u>7,445,623</u>
Total Fund Balances	<u>7,445,623</u>	<u>-</u>	<u>-</u>	<u>7,445,623</u>
Total Liabilities and Fund Balances	<u>\$ 7,653,694</u>	<u>\$ 150,114</u>	<u>\$ -</u>	<u>\$ 7,803,808</u>

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

Total Fund Balances - Governmental Funds \$ 7,445,623

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$62,085,236 and the accumulated depreciation is \$23,556,815. 38,528,421

The District has financed capital assets through the issuance of bonds. The interest accrual at year end is: (157,697)

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.

Deferred Outflows of Resources	\$ 2,610,612	
Deferred Inflows of Resources	<u>(3,242,437)</u>	(631,825)

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. 1,228,091

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.
Long-term liabilities at year end consist of the following:

Bonds Payable, Including Unamortized Premium	\$ (19,890,705)	
Net Pension Liability	(8,461,991)	
Capital Leases Payable	(219,016)	
Compensated Absences	<u>(764,891)</u>	(29,336,603)

Net position of governmental activities \$ 17,076,010

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local Sources				
Property Tax Levy	\$ 37,590,307		\$ 1,634,494	\$ 39,224,801
Interest Income	83,198			83,198
Miscellaneous	150,758	\$ 88,027	-	238,785
Total - Local Sources	37,824,263	88,027	1,634,494	39,546,784
State Sources	7,662,865	399,744		8,062,609
Federal Sources	-	488,746	-	488,746
Total Revenues	45,487,128	976,517	1,634,494	48,098,139
EXPENDITURES				
Current				
Instruction				
Regular Instruction	19,472,098	70,402		19,542,500
Special Education Instruction	5,194,167	394,092		5,588,259
Other Instruction	819,384			819,384
School-Sponsored Activities and Athletics	144,945			144,945
Support Services				
Student and Instruction Related Services	8,495,984	478,536		8,974,520
General Administration Services	1,081,932			1,081,932
School Administration Services	2,815,830			2,815,830
Business / Central Services	872,793			872,793
Plant Operations and Maintenance	3,448,724			3,448,724
Pupil Transportation	727,754			727,754
Debt Service:				
Principal	325,098		1,010,000	1,335,098
Interest and Other Charges	92,528		624,494	717,022
Capital Outlay	1,132,895	33,487	-	1,166,382
Total Expenditures	44,624,132	976,517	1,634,494	47,235,143
Excess (Deficiency) of Revenues Over (Under) Expenditures	862,996	-	-	862,996
OTHER FINANCING SOURCES (USES)				
Capital Lease Proceeds (Non Budget)	219,016			219,016
Transfers Out	(35,000)	-	-	(35,000)
Total Other Financing Sources and Uses	184,016	-	-	184,016
Net Change in Fund Balances	1,047,012	-	-	1,047,012
Fund Balance, Beginning of Year	6,398,611	-	-	6,398,611
Fund Balance, End of Year	\$ 7,445,623	\$ -	\$ -	\$ 7,445,623

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Total net change in fund balances - governmental funds (Exhibit B-2) \$ 1,047,012

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

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

	\$ (1,846,802)	
Depreciation Expense	1,166,382	
Capital Outlays	(680,420)	

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals and donations) is to increase net position. These transactions are not reported in the governmental funds financial statements.

Donated Capital Assets		76,011
------------------------	--	--------

The issuance of long-term debt (e.g. bonds, leases) 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. (Note 2) 1,116,082

Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (Note 2) (186,344)

Change in net position of governmental activities (Exhibit A-2) \$ 1,372,341

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2019**

	Business-Type Activities Enterprise Fund			Totals
	Food Service Fund	Summer Enrichment Fund	Other Non Major Enterprise Fund	
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 254,528	\$ 132,287	\$ 116,585	\$ 503,400
Other Account Receivable	1,231		291	1,522
Prepaid Expenses		3,603		3,603
Inventory	4,949	-	-	4,949
Total Current Assets	<u>260,708</u>	<u>135,890</u>	<u>116,876</u>	<u>513,474</u>
Capital Assets				
Building Improvements	229,249			229,249
Equipment	129,396			129,396
Less: Accumulated Depreciation	<u>(133,636)</u>	<u>-</u>	<u>-</u>	<u>(133,636)</u>
Total Capital Assets, Net	<u>225,009</u>	<u>-</u>	<u>-</u>	<u>225,009</u>
Total Assets	<u>485,717</u>	<u>135,890</u>	<u>116,876</u>	<u>738,483</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	5,684		2,700	8,384
Unearned Revenue	<u>12,669</u>	<u>109,341</u>	<u>2,570</u>	<u>124,580</u>
Total Current Liabilities	<u>18,353</u>	<u>109,341</u>	<u>5,270</u>	<u>132,964</u>
NET POSITION				
Investment in Capital Assets	225,009			225,009
Unrestricted	<u>242,355</u>	<u>26,549</u>	<u>111,606</u>	<u>380,510</u>
Total Net Position	<u>\$ 467,364</u>	<u>\$ 26,549</u>	<u>\$ 111,606</u>	<u>\$ 605,519</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Business-Type Activities Enterprise Fund			<u>Totals</u>
	<u>Food Service Fund</u>	<u>Summer Enrichment Fund</u>	<u>Other Non Major Enterprise Funds</u>	
OPERATING REVENUES				
Charges for Services				
Daily Sales	\$ 499,574			\$ 499,574
Other	2,653			2,653
Program Fees	-	\$ 80,745	\$ 87,269	168,014
Total Operating Revenues	<u>502,227</u>	<u>80,745</u>	<u>87,269</u>	<u>670,241</u>
OPERATING EXPENSES				
Cost of Sales	193,138			193,138
Salaries and Employee Benefits	174,022	50,570	56,814	281,406
Supplies and Materials	14,743	4,613	29,843	49,199
Management Fee	37,269			37,269
Purchased Professional Services	16,466	420	13,791	30,677
Miscellaneous	388		-	388
Depreciation	19,000	-	-	19,000
Total Operating Expenses	<u>455,026</u>	<u>55,603</u>	<u>100,448</u>	<u>611,077</u>
Operating Income/(Loss)	<u>47,201</u>	<u>25,142</u>	<u>(13,179)</u>	<u>59,164</u>
NONOPERATING REVENUES/EXPENSES				
Interest on Deposits	1,174	-	-	1,174
Total Nonoperating Revenues(Expenses)	<u>1,174</u>	<u>-</u>	<u>-</u>	<u>1,174</u>
Net Income/ (Loss) Before Operating Transfers	<u>48,375</u>	<u>25,142</u>	<u>(13,179)</u>	<u>60,338</u>
Operating Transfers				
Transfers In	-	-	35,000	35,000
Change in Net Position	48,375	25,142	21,821	95,338
Total Net Position, Beginning of Year	<u>418,989</u>	<u>1,407</u>	<u>89,785</u>	<u>510,181</u>
Total Net Position, End of Year	<u>\$ 467,364</u>	<u>\$ 26,549</u>	<u>\$ 111,606</u>	<u>\$ 605,519</u>

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Business-Type Activities			Totals
	Enterprise Fund			
	Food Service Fund	Summer Enrichment Fund	Other Non Major Enterprise Fund	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 504,391	\$ 117,225	\$ 87,992	\$ 709,608
Cash Payments for Employees' Salaries and Benefits	(174,022)	(50,570)	(59,369)	(283,961)
Cash Payments to Suppliers for Goods and Services	(260,592)	(8,576)	(43,634)	(312,802)
Net Cash Provided (Used) by Operating Activities	<u>69,777</u>	<u>58,079</u>	<u>(15,011)</u>	<u>112,845</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Other Funds	-	-	35,000	35,000
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(8,131)	-	-	(8,131)
Net Cash (Used) by Capital and Related Financing Activities	<u>(8,131)</u>	<u>-</u>	<u>-</u>	<u>(8,131)</u>
Cash Flows from Investing Activities				
Interest on Deposits	1,174	-	-	1,174
Net Cash Provided by Investing Activities	<u>1,174</u>	<u>-</u>	<u>-</u>	<u>1,174</u>
Net Increase in Cash and Cash Equivalents	62,820	58,079	19,989	140,888
Cash and Cash Equivalents, Beginning of Year	191,708	74,208	96,596	362,512
Cash and Cash Equivalents, End of Year	<u>\$ 254,528</u>	<u>\$ 132,287</u>	<u>\$ 116,585</u>	<u>\$ 503,400</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 47,201	\$ 25,142	\$ (13,179)	\$ 59,164
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities				
Depreciation	19,000			19,000
Change in Assets and Liabilities				
Increase/(Decrease) in Accounts Payable	1,462		(2,555)	(1,093)
Increase/(Decrease) in Unearned Revenue	3,121	36,480	120	39,721
(Increase)/Decrease in Other Accounts Receivable	(957)		603	(354)
(Increase)/Decrease in Prepaid Expense		(3,543)		(3,543)
(Increase)/Decrease in Inventory	(50)	-	-	(50)
Total Adjustments	<u>22,576</u>	<u>32,937</u>	<u>(1,832)</u>	<u>53,681</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 69,777</u>	<u>\$ 58,079</u>	<u>\$ (15,011)</u>	<u>\$ 112,845</u>

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2019**

	<u>Unemployment Compensation Trust Fund</u>	<u>Scholarship Fund</u>	<u>Agency Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 904,005	\$ 3,311	\$ 56,898
Total Assets	<u>\$ 904,005</u>	<u>\$ 3,311</u>	<u>\$ 56,898</u>
LIABILITIES			
Payable to Student Groups			\$ 39,854
Accrued Salaries and Wages			59
Payroll Deductions and Withholdings			16,985
Intergovernmental Payable State	\$ 425	-	-
Total Liabilities	<u>425</u>	<u>-</u>	<u>\$ 56,898</u>
NET POSITION			
Reserved For Scholarships		<u>\$ 3,311</u>	
Held in Trust for Unemployment Claims	<u>\$ 903,580</u>		

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>
ADDITIONS		
Contributions		
Employees	\$ 49,705	
	<hr/>	<hr/>
Total Contributions	49,705	-
	<hr/>	<hr/>
Investment Earnings		
Interest	10,449	\$ 39
	<hr/>	<hr/>
Net Investment Earnings	10,449	39
	<hr/>	<hr/>
Total Additions	60,154	39
	<hr/>	<hr/>
DEDUCTIONS		
Unemployment Claims and Contributions	30,693	-
	<hr/>	<hr/>
Total Deductions	30,693	-
	<hr/>	<hr/>
Change in Net Position	29,461	39
	<hr/>	<hr/>
Net Position, Beginning of the Year	874,119	3,272
	<hr/>	<hr/>
Net Position, End of the Year	\$ 903,580	\$ 3,311
	<hr/> <hr/>	<hr/> <hr/>

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

NOTES TO THE FINANCIAL STATEMENTS

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Wyckoff Township Public Schools (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 seven elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. 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 also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

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 Wyckoff Township Public Schools this includes general operations, food service, summer enrichment program, chromebook program, pay to participate program, social club program 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 2019, the District adopted the following GASB statement as required:

- GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistency provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms association with debt will be disclosed.

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

- GASB No. 84, *Fiduciary Activities*, will be effective with the fiscal year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB No. 87, *Leases*, will be effective with the fiscal year ending June 30, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, will be effective beginning with the fiscal year ending June 30, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

C. Basis of Presentation - Financial Statements

The financial statements include both government-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate government-wide and fund financial statements are presented, they are interrelated. In the government-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 government-wide financial statements.

Government-wide Financial Statements

The government-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 government-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the government-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 and food service and summer enrichment enterprise funds 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.

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 funds which are 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 teachers and special events.

The *summer enrichment fund* accounts for the activities of the District's summer school program which provides education opportunities beyond the regular school term.

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

The *social club fund* accounts for the activities of special needs students which provides for the learning of interrelation skills.

The *pay to participate fund* accounts for the activities of the District's extra-curricular activities which provides sports programs.

The *technology program fund* accounts for the activities of student purchased insurance on district issued computers.

Additionally, the government reports the following fund types:

The *fiduciary trust funds* are used to account for resources legally held in trust for state unemployment insurance claims and for private donations for scholarship awards. All resources of the funds, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The *fiduciary agency funds* account for assets held by the District as an agent for student activities and for payroll deductions and withholdings. The funds for the student activities fund are solely for noninstructional student activities that are supported and controlled by student organizations and clubs for which school administration does not have management involvement. The payroll funds are held to remit employee withholdings to respective state, federal and other agencies.

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 government-wide financial statements as “internal balances”.

Reclassifications

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

D. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) 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 and acquisitions under capital leases are reported as other financing sources.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

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

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

1. *Cash, Cash Equivalents and Investments*

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

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

2. *Receivables*

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

3. *Inventories*

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

Food Service Fund inventories 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.

4. *Prepaid Items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

5. *Capital Assets*

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets 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	10-40
Machinery and Equipment	5-25

6. *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 the loss on a debt refunding reported in the government-wide statement of net position. Deferred amounts on debt refunding result from the loss 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 government-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one type 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 are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the government-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.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the government-wide financial statements, representing the Board's commitment to fund such costs from future operations. 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.

8. *Pensions*

In the government-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.

9. *Long-Term Obligations*

In the government-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. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Losses 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.

10. *Net Position/Fund Balance*

Government-wide Statements

In the government-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.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Governmental Fund Statements

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.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2019 audited excess surplus that is required to be appropriated in the 2020/2021 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2018 audited excess surplus that was appropriated in the 2019/2020 original budget certified for taxes.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 3B).

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 2019/2020 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 3C).

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.

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 (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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government 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 government's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the government 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. The District has no committed fund balances at year end.

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

F. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. Property Taxes

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

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 2017-2018 and 2018-2019 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 enterprise fund, the summer enrichment enterprise fund, social club enterprise fund, chromebook enterprise fund and pay to participate enterprise fund 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.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$1,116,082 difference are as follows:

Debt issued or incurred:	
Capital lease financing	\$ (219,016)
Principal repayments:	
Bonds Payable	1,245,000
Capital Lease Payable	<u>90,098</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,116,082</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
 (Continued)**

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds”. The details of this \$(186,344) difference are as follows:

Compensated absences	\$ 137,783
Accrued interest	11,464
Amortization of deferred charge on refunding	(207,660)
Amortization of bond premiums	136,712
PERS Net Pension Expense Adjustment	<u>(264,643)</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$(186,344)</u>

NOTE 3 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. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district’s annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 13, 2012, 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 2018/2019. Also, during 2018/2019 the Board increased the original budget by \$746,887. The increase was funded by additional grant awards and state aid and the reappropriation of prior year general fund encumbrances.

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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.

The activity of the capital reserve for the fiscal year ended June 30, 2019 is as follows:

Balance, July 1, 2018		\$ 3,381,289
Increased by:		
Interest earnings	\$ 21,092	
Deposits Approved by Board Resolution	2,199,477	
Unexpended Balances From Capital Outlay	<u>370,982</u>	
Total Increases		<u>2,591,551</u>
		5,972,840
Decreased by:		
Approved in District Budget		<u>1,425,000</u>
Balance, June 30, 2019		<u>\$ 4,547,840</u>

The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan. \$1,295,500 of the capital reserve balance at June 30, 2019 was designated and appropriated for use in the 2019/2020 original budget certified for taxes.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

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, 2019 is as follows:

Balance, July 1, 2018	\$ 100,000
Increased by:	
Deposits Approved by Board Resolution	150,000
Balance, June 30, 2019	\$ 250,000

The June 30, 2019 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$2,150,503.

D. 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, 2018 is \$1,750,000. Of this amount, \$950,000 was designated and appropriated in the 2019/2020 original budget certified for taxes and the remaining amount of \$800,000 will be appropriated in the 2020/2021 original budget certified for taxes.

NOTE 4 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

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, 2018, the book value of the Board's deposits were \$9,147,786 and bank and brokerage firm balances of the Board's deposits amounted to \$9,682,096. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ <u>9,682,096</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, 2019 none of the Board's bank balances were exposed to custodial credit risk.

Investments

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

As of June 30, 2019, the Board had no outstanding investments.

Interest Rate Risk – 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 – 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 Board places no limit in the amount the District may invest in any one issuer.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2019 for the district’s individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Non-major Fund</u>	<u>Total</u>
Receivables:					
Intergovernmental					
Federal		\$ 78,341			\$ 78,341
State	\$ 21,941	6,972			28,913
Other	16,382	-	\$ 1,231	\$ 291	17,904
	<u>38,323</u>	<u>85,313</u>	<u>1,231</u>	<u>291</u>	<u>125,158</u>
Gross Receivables					
Less: Allowance for Uncollectibles	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 38,323</u>	<u>\$ 85,313</u>	<u>\$ 1,231</u>	<u>\$ 291</u>	<u>\$ 125,158</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:

	<u>Total</u>
General Fund	
Tuition and Subscription Busing Deposits	\$ 6,000
Special Revenue Fund	
Unencumbered Grant Draw Downs	<u>77,929</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 83,929</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance, July 1, 2018	Increases	Decreases	Adjustments	Balance, June 30, 2019
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 323,568				\$ 323,568
Construction in progress	151,557	\$ 1,051,074	-	\$ (1,072,471)	130,160
Total capital assets, not being depreciated	<u>475,125</u>	<u>1,051,074</u>	<u>-</u>	<u>(1,072,471)</u>	<u>453,728</u>
Capital assets, being depreciated:					
Buildings and Building Improvements	57,149,163			1,072,471	58,221,634
Machinery and equipment	3,416,115	191,319	\$ (197,560)	-	3,409,874
Total capital assets being depreciated	<u>60,565,278</u>	<u>191,319</u>	<u>(197,560)</u>	<u>1,072,471</u>	<u>61,631,508</u>
Less accumulated depreciation for:					
Buildings and Building Improvements	(19,657,745)	(1,619,762)			(21,277,507)
Machinery and equipment	(2,249,828)	(227,040)	197,560	-	(2,279,308)
Total accumulated depreciation	<u>(21,907,573)</u>	<u>(1,846,802)</u>	<u>197,560</u>	<u>-</u>	<u>(23,556,815)</u>
Total capital assets, being depreciated, net	<u>38,657,705</u>	<u>(1,655,483)</u>	<u>-</u>	<u>1,072,471</u>	<u>38,074,693</u>
Governmental activities capital assets, net	<u>\$ 39,132,830</u>	<u>\$ (604,409)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,528,421</u>
	Balance, July 1, 2018	Increases	Decreases	Balance, June 30, 2019	
Business-Type Activities:					
Capital assets, being depreciated:					
Building Improvements	\$ 229,249			\$ 229,249	
Machinery and equipment	121,265	\$ 8,131	\$ -	129,396	
Total capital assets being depreciated	<u>350,514</u>	<u>8,131</u>	<u>-</u>	<u>358,645</u>	
Less accumulated depreciation for:					
Building Improvements	(40,195)	(8,448)		(48,643)	
Machinery and equipment	(74,441)	(10,552)	-	(84,993)	
Total accumulated depreciation	<u>(114,636)</u>	<u>(19,000)</u>	<u>-</u>	<u>(133,636)</u>	
Total capital assets, being depreciated, net	<u>235,878</u>	<u>(10,869)</u>	<u>-</u>	<u>225,009</u>	
Business-type activities capital assets, net	<u>\$ 235,878</u>	<u>\$ (10,869)</u>	<u>\$ -</u>	<u>\$ 225,009</u>	

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction

Regular	\$ 997,320
Special Education	29,179
Total Instruction	<u>1,026,499</u>

Support Services

Student and Instruction Related Services	94,491
General Administrative Services	54,310
Plant Operations and Maintenance	671,152
Pupil Transportation	<u>350</u>

Total Support Services	<u>820,303</u>
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Total Depreciation Expense - Governmental Activities	<u>\$ 1,846,802</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 19,000</u>
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Construction and Other Significant Commitments

The District has the following active construction projects that were awarded in 2018/19 and will be funded in the 2019/20 budget as of June 30, 2019:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Electrical Upgrades Project at Sicomac School	<u>-</u>	<u>377,807</u>
	<u>\$ -</u>	<u>\$ 377,807</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Transfers

The composition of interfund balances as of June 30, 2019, is as follows:

Interfund transfers

	<u>Transfer In:</u> Pay to Participate Fund	<u>Total</u>
<u>Transfer Out:</u>		
General Fund	\$ 35,000	\$ 35,000
Total transfers out	<u>\$ 35,000</u>	<u>\$ 35,000</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. Leases

Capital Leases

The District is leasing computers totaling \$219,016 under a capital lease. The lease is for a term of 3 years.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Governmental Activities</u>
2020	\$ 76,104
2021	76,104
2022	<u>76,104</u>
Total minimum lease payments	228,312
Less: amount representing interest	<u>(9,296)</u>
Present value of minimum lease payments	<u>\$ 219,016</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. 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 and 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, 2019 are comprised of the following issues:

\$3,535,000, 2010 School Energy Savings Obligation Bonds, due in annual installments of \$255,000 to \$350,000 through March 15, 2025, interest at 4.00% to 5.00%	\$1,810,000
\$9,485,000, 2012 Refunding School Bonds, due in annual installments of \$980,000 to \$1,165,000 through April 1, 2025, interest at 3.00% to 4.00%	6,460,000
\$12,440,000, 2013 Refunding School Bonds, due in annual installments of \$70,000 to \$1,660,000 through April 1, 2032, interest at 2.00% to 4.00%	<u>11,050,000</u>
Total	<u>\$19,320,000</u>

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

Governmental Activities:

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 1,305,000	\$ 663,144	\$ 1,968,144
2021	1,355,000	609,794	1,964,794
2022	1,430,000	554,207	1,984,207
2023	1,490,000	498,320	1,988,320
2024	1,540,000	450,894	1,990,894
2025-2029	7,365,000	1,463,109	8,828,109
2030-2032	<u>4,835,000</u>	<u>292,950</u>	<u>5,127,950</u>
Total	<u>\$ 19,320,000</u>	<u>\$ 4,532,418</u>	<u>\$ 23,852,418</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

G. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2019 was as follows:

3% of Equalized Valuation Basis (Municipal)	\$ 138,891,281
Less: Net Debt	<u>19,320,000</u>
Remaining Borrowing Power	<u>\$ 119,571,281</u>

H. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019, was as follows:

	Balance, <u>July 1, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2019</u>	Due Within <u>One Year</u>
Governmental activities:					
Bonds payable	\$ 20,565,000		\$ 1,245,000	\$ 19,320,000	\$ 1,305,000
Unamortized Premium	<u>707,417</u>	-	<u>136,712</u>	<u>570,705</u>	-
	21,272,417	-	1,381,712	19,890,705	1,305,000
Capital Leases Payable	90,098	\$ 219,016	90,098	219,016	75,382
Net Pension Liability	9,396,412		934,421	8,461,991	
Compensated absences	<u>902,674</u>	-	<u>137,783</u>	<u>764,891</u>	<u>76,489</u>
Governmental activity Long-term liabilities	<u>\$ 31,661,601</u>	<u>\$ 219,016</u>	<u>\$ 2,544,014</u>	<u>\$ 29,336,603</u>	<u>\$ 1,456,871</u>

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION

A. Risk Management

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

The District is a member of the Northeast Bergen County School Board Insurance Group (NESBIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against various risks.

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.

NESBIG 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.

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, reimbursements to the State for benefits paid and the ending balance of the District's fiduciary trust fund for the current and previous two years:

<u>Fiscal</u> <u>Year Ended</u> <u>June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2019		\$ 49,705	\$ 30,693	\$ 903,580
2018		47,250	18,157	874,119
2017	\$ 10,000	47,950	46,106	840,528

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

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, 2019, 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, 2019, the District has not estimated its arbitrage earnings due to the IRS, if any.

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) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, 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 Pension and Benefits (Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

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

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tier 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon 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 on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours 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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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, 2018 is \$19.7 billion and the plan fiduciary net position as a percentage of the total pension liability is 53.60%. The collective net pension liability of the State funded TPAF at June 30, 2018 is \$63.81 billion and the plan fiduciary net position as a percentage of total pension liability is 26.49%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2017 which were rolled forward to June 30, 2018.

Actuarial Methods and Assumptions

In the July 1, 2017 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 members 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 2019.

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, 2019 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than this actuarial determined amount. For 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 2019, 2018 and 2017 were equal to the required contributions.

During the fiscal years ended June 30, 2019, 2018 and 2017 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2019	\$ 427,484	\$ 3,357,340	\$ 9,777
2018	373,942	2,572,977	4,402
2017	385,148	1,931,690	2,574

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

In addition for fiscal years 2019, 2018 and 2017 the District contributed \$3,083, \$5,712 and \$3,856, respectively for PERS and the State contributed \$3,305, \$3,901 and \$4,282, 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 government-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 \$1,243,890 during the fiscal year ended June 30, 2019 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 government-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as 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, 2017 through June 30, 2018. 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.

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, 2018 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2018.

At June 30, 2019, the District reported in the statement of net position (accrual basis) a liability of \$8,461,991 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating governmental entities, actuarially determined. At June 30, 2018, the District's proportionate share was .04298 percent, which was an increase of .00261 percent from its proportionate share measured as of June 30, 2017 of .04037 percent.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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)

For the fiscal year ended June 30, 2019, the District recognized in the government-wide statement of activities (accrual basis) pension expense of \$692,127 for PERS. The pension contribution made by the District during the current 2018/2019 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, 2019 with a measurement date of the prior fiscal year end of June 30, 2018. 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, 2019 for contributions made subsequent to the measurement date. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 161,371	\$ 43,633
Changes of Assumptions	1,394,396	2,705,695
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		79,374
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,054,845</u>	<u>413,735</u>
Total	<u>\$ 2,610,612</u>	<u>\$ 3,242,437</u>

At June 30, 2019, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2020	\$ 205,032
2021	166,721
2022	(457,002)
2023	(450,370)
2024	(96,206)
Thereafter	<u>-</u>
	<u>\$ (631,825)</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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)

Actuarial Assumptions

The District's total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Inflation Rate	2.25%
Salary Increases:	
Through 2026	1.65-4.15% Based on Age
Thereafter	2.65-5.15% Based on Age
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2000

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 5 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, 2018) 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 pension plans' target asset allocation as of June 30, 2018 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	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
US Equities	30.00%	8.19%
Non-US Developed Markets Equity	11.50%	9.00%
Emerging Market Equities	6.50%	11.64%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
Buyouts/Venture Capital	8.25%	13.08%

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	5.66%
2018	June 30, 2017	5.00%

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2046
Municipal Bond Rate *	From July 1, 2046 and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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.

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 5.66%, 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 (4.66 percent) or 1-percentage-point higher (6.66 percent) than the current rate:

	1% Decrease <u>4.66%</u>	Current Discount Rate <u>5.66%</u>	1% Increase <u>6.66%</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 10,639,979</u>	<u>\$ 8,461,991</u>	<u>\$ 6,634,799</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability at June 30, 2018. A sensitivity analysis specific to the District's net pension liability at June 30, 2018 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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as a an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the fiscal year ended June 30, 2018. 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, 2018, the State's pension contribution was less than the actuarial determined amount.

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

For the fiscal year ended June 30, 2019, the District recognized in the government-wide statement of activities (accrual basis) pension expense of \$6,326,235 for TPAF. This amount has been included in the government-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the net pension liability attributable to the District is \$108,518,262. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2018. At June 30, 2018, the State's share of the net pension liability attributable to the District was .17058 percent, which was an increase of .00116 percent from its proportionate share measured as of June 30, 2017 of .17174 percent.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate	2.25%
Salary Increases:	
2011-2026	1.55-4.55%
Thereafter	2.00-5.45%
Investment Rate of Return	7.00%
Mortality Rate Table	RP-2006

Assumptions for mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational bases based on a 60-year average of Social Security data from 1953 to 2013.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 5 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, 2018) 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 pension plans' target asset allocation as of June 30, 2018 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	5.00%	5.51%
Cash Equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment Grade Credit	10.00%	3.78%
High Yield	2.50%	6.82%
Global Diversified Credit	5.00%	7.10%
Credit Oriented Hedge Funds	1.00%	6.60%
Debt Related Private Equity	2.00%	10.63%
Debt Related Real Estate	1.00%	6.61%
Private Real Estate	2.50%	11.83%
Equity Related Real Estate	6.25%	9.23%
U.S.Equity	30.00%	8.19%
Non-U.S. Developed Markets Equity	11.50%	9.00%
Emerging Markets Equity	6.50%	11.64%
Buyouts/Venture Capital	8.25%	13.08%

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

Fiscal Year	Measurement Date	Discount Rate
2019	June 30, 2018	4.86%
2018	June 30, 2017	4.25%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

Period of Projected Benefit

Payments for which the Following
 Rates were Applied:

Long-Term Expected Rate of Return	Through June 30, 2040
Municipal Bond Rate *	From July 1, 2040 and Thereafter

* The municipal bond return rate used is 3.87% as of the measurement date of June 30, 2018. 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.

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 4.86%, 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 (3.86 percent) or 1-percentage-point higher (5.86 percent) than the current rate:

	1% Decrease (3.86%)	Current Discount Rate (4.86%)	1% Increase (5.86%)
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 128,266,525</u>	<u>\$ 108,518,262</u>	<u>\$ 92,147,433</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2018. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2018 was not provided by the pension system.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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)

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.

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 an Agency Fund in the New Jersey Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. Therefore, the plan has no assets accumulated in a 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 single employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. 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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2017:

Active Plan Members	217,131
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	145,050
Inactive Plan Members Entitled to but not yet Receiving Benefits	<u> -</u>
Total	<u>362,181</u>

Measurement Focus and Basis of Accounting

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

Investment Valuation

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

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2018 is \$46.1 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2017 which were rolled forward to June 30, 2018.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Actuarial Methods and Assumptions

In the June 30, 2017 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2018.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2019, 2018 and 2017 were \$1,522,884, \$1,661,831 and \$1,609,537, 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, 2017 through June 30, 2018. 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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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)

For the fiscal year ended June 30, 2019, the District recognized in the government-wide statement of activities (accrual basis) OPEB expense of \$3,047,918. This amount has been included in the government-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 85.

At June 30, 2019 the State's proportionate share of the OPEB liability attributable to the District is \$60,022,848. 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, 2018 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2018. At June 30, 2018, the state's share of the OPEB liability attributable to the District was .13000 percent, which was an increase of .00171 percent from its proportionate share measured as of June 30, 2017 of .12829 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of June 30, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases *	
Initial Fiscal Year Applied Through	2026
Rate	1.55% to 4.55%
Rate Thereafter	2.00% to 5.45%
Mortality	Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female mortality table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disable Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.
Long-Term Rate of Return	1.00%

*Salary increases are based on the defined benefit plan that the individual is enrolled in and his or her year of service for TPAF or his or her age for PERS.

Healthcare cost trend rates for pre-Medicare Preferred Provider Organization (PPO) medical benefits, this amount initially is 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5 percent. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.8 percent and decreases to a 5.0 percent long-term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0 percent and decreases to a 5.0 percent long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0 percent. This reflects the known underlying cost of the Part B premium. The Medicare Advantage trend rate is 4.5 percent and will continue in all future years.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2012 to June 30, 2015 and July 1, 2011 to June 30, 2014, respectively.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 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)

Long-Term Expected Rate of Return

As the OPEB plan only invests in the State of New Jersey Cash Management Fund, the long-term expected rate of return on OPEB investments was based off the best-estimate ranges of future real rates of return (expected returns, net of OPEB plan investment expense and inflation) for cash equivalents, which is 1.00% as of June 30, 2018.

Discount Rate

The discount rate used to measure the total OPEB liabilities of the plan was as follows:

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Discount Rate</u>
2019	June 30, 2018	3.87%
2018	June 30, 2017	3.58%

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2019 (measurement date June 30, 2018) is as follows:

	<u>Total OPEB Liability (State Share 100%)</u>
Balance, June 30, 2017 Measurement Date	\$ <u>68,816,624</u>
Changes Recognized for the Fiscal Year:	
Service Cost	2,722,155
Interest on the Total OPEB Liability	2,533,596
Differences Between Expected and Actual Experience	(5,612,086)
Changes of Assumptions	(6,887,922)
Gross Benefit Payments	(1,604,990)
Contributions from the Member	55,471
Net Changes	<u>\$ (8,793,776)</u>
Balance, June 30, 2018 Measurement Date	\$ <u>60,022,848</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

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, 2018. A change in the total OPEB liability specific to the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2018 was not provided by the pension system.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 5 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.87% 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 (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease <u>(2.87%)</u>	Current Discount Rate <u>(3.87%)</u>	1% Increase <u>(4.87%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>70,959,225</u>	\$ <u>60,022,848</u>	\$ <u>51,329,558</u>

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ <u>49,612,380</u>	\$ <u>60,022,848</u>	\$ <u>73,791,091</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2018 were not provided by the pension system.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 37,590,307		\$ 37,590,307	\$ 37,590,307	
Tuition from Individuals	14,700		14,700	63,732	\$ 49,032
Transportation Fees from Individuals	13,300		13,300	36,527	23,227
Interest on Capital Reserve Funds	500		500	21,092	20,592
Rentals and Royalties	3,000		3,000	20,578	17,578
Sale of Property	3,000		3,000	3,019	19
Miscellaneous	16,520		16,520	89,008	72,488
Total Local Sources	<u>37,641,327</u>	<u>-</u>	<u>37,641,327</u>	<u>37,824,263</u>	<u>182,936</u>
State Sources					
Categorical Special Education Aid	831,160		831,160	831,160	
Categorical Security Aid	37,516	\$ 80,518	118,034	118,034	
Categorical Transportation Aid	237,410	40,215	277,625	277,625	
Extraordinary Aid - 2017/18				1,154	1,154
Extraordinary Aid - 2018/19				347,231	347,231
Additional Nonpublic School Transportation Aid				21,941	21,941
TPAF Social Security Contributions (Non-Budgeted)				1,243,890	1,243,890
On Behalf TPAF Pension-Post Retirement Medical Contribution (Non-Budgeted)				1,522,884	1,522,884
On Behalf TPAF Pension - Normal (Non-Budgeted)				3,288,503	3,288,503
On Behalf TPAF Pension - NCGI (Non-Budgeted)				68,837	68,837
On Behalf TPAF Pension - Long Term Disability Insurance (Non-Budgeted)				3,305	3,305
Total State Sources	<u>1,106,086</u>	<u>120,733</u>	<u>1,226,819</u>	<u>7,724,564</u>	<u>6,497,745</u>
Total Revenues	<u>38,747,413</u>	<u>120,733</u>	<u>38,868,146</u>	<u>45,548,827</u>	<u>6,680,681</u>
CURRENT EXPENDITURES					
Regular Programs-Instruction					
Salaries of Teachers:					
Preschool	19,393	75,815	95,208	89,693	5,515
Kindergarten	841,656	94,200	935,856	890,279	45,577
Grades 1-5	6,716,553	(171,864)	6,544,689	6,497,551	47,138
Grades 6-8	4,292,215	(1,085)	4,291,130	4,189,380	101,750
Regular Programs-Home Instruction					
Salaries of Teachers	18,590	(5,000)	13,590	4,742	8,848
Purchased Prof. - Educational Services	5,100		5,100	800	4,300
Other Purchased Services	210		210		210
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	192,351	107,550	299,901	257,417	42,484
Purchased Prof. - Educational Services	4,250	(1,600)	2,650	1,750	900
Purchased Technical Services	3,650		3,650	2,118	1,532
Other Purchased Services	224,747	13,295	238,042	228,760	9,282
Supplies Acquired Under Capital Lease (Non Budget)				219,016	(219,016)
General Supplies	660,287	67,050	727,337	654,596	72,741
Textbooks	40,000	(19,325)	20,675	20,663	12
Other Objects	2,300		2,300	1,912	388
Total Regular Programs	<u>13,021,302</u>	<u>159,036</u>	<u>13,180,338</u>	<u>13,058,677</u>	<u>121,661</u>
Special Education					
Learning/Language Disabilities					
Salaries of Teachers	372,298	(7,500)	364,798	359,323	5,475
Other Salaries for Instruction	382,783	11,898	394,681	394,500	181
Other Purchased Services	850		850	230	620
General Supplies	8,449	(1,000)	7,449	3,859	3,590
Total Learning/Language Disabilities	<u>764,380</u>	<u>3,398</u>	<u>767,778</u>	<u>757,912</u>	<u>9,866</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Special Education (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,968,972	\$ (71,347)	\$ 1,897,625	\$ 1,709,598	\$ 188,027
Other Purchased Services	5,800		5,800	2,479	3,321
General Supplies	22,920		22,920	18,053	4,867
Total Resource Room/Resource Center	1,997,692	(71,347)	1,926,345	1,730,130	196,215
Preschool Disabilities - Full-Time					
Salaries of Teachers	63,815	(63,815)			
Other Salaries for Instruction	67,050	(67,050)			
Other Purchased Services	475		475		475
General Supplies	2,625	(2,625)			-
Total Preschool Disabilities - Full-Time	133,965	(133,490)	475	-	475
Total Special Education	2,896,037	(201,439)	2,694,598	2,488,042	206,556
Basic Skills/Remedial					
Salaries of Teachers	464,506		464,506	464,506	
General Supplies	3,000		3,000	36	2,964
Total Basic Skills/Remedial	467,506	-	467,506	464,542	2,964
Bilingual Education					
Salaries of Teachers	65,572		65,572	65,572	
General Supplies	1,000		1,000	232	768
Other Objects	500		500		500
Total Bilingual Education	67,072	-	67,072	65,804	1,268
School Sponsored Cocurricular Activities					
Salaries	95,429	1,604	97,033	86,817	10,216
Purchased Services	1,500	2,500	4,000	3,831	169
Supplies and Materials	7,295		7,295	6,958	337
Total School Sponsored Cocurricular Activities	104,224	4,104	108,328	97,606	10,722
Total Instruction	16,556,141	(38,299)	16,517,842	16,174,671	343,171
Undistributed Expenditures					
Instruction:					
Tuition to Other LEA's Within the State-Special	693,208	(287,209)	405,999	272,869	133,130
Tuition to CSSD and Regional Day Schools	265,340	76,137	341,477	314,985	26,492
Tuition to Priv. Sch. for the Disabled-Within State	779,286	172,583	951,869	731,880	219,989
Tuition to Priv. Sch. for the Disabled-Outside of State		36,645	36,645	33,497	3,148
Total Undistributed Expenditures- Instruction	1,737,834	(1,844)	1,735,990	1,353,231	382,759
Attendance and Social Work					
Salaries	26,140		26,140	26,128	12
Total Attendance and Social Work	26,140	-	26,140	26,128	12

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Health Services					
Salaries	\$ 495,889	\$ 6,807	\$ 502,696	\$ 497,749	\$ 4,947
Purchased Professional and Technical Services	14,900	21,500	36,400	34,637	1,763
Other Purchased Services	1,750	110	1,860	925	935
Supplies and Materials	15,484		15,484	11,320	4,164
Other Objects	300		300	174	126
Total Health Services	<u>528,323</u>	<u>28,417</u>	<u>556,740</u>	<u>544,805</u>	<u>11,935</u>
Speech, OT, PT & Related Services					
Salaries	648,199	18,058	666,257	663,552	2,705
Purchased Professional-Educational Services	83,368		83,368	32,898	50,470
Supplies and Materials	8,089	(445)	7,644	7,179	465
Other Objects	3,200	445	3,645	2,489	1,156
Total Speech, OT, PT & Related Services	<u>742,856</u>	<u>18,058</u>	<u>760,914</u>	<u>706,118</u>	<u>54,796</u>
Other Support Services-Students-Extra. Services					
Salaries	839,104	155,621	994,725	978,173	16,552
Purchased Professional-Educational Services	325,918	50,000	375,918	309,936	65,982
Supplies and Materials	8,000		8,000	1,123	6,877
Total Other Support Services-Students-Extra Serv	<u>1,173,022</u>	<u>205,621</u>	<u>1,378,643</u>	<u>1,289,232</u>	<u>89,411</u>
Guidance					
Salaries of Other Professional Staff	605,104	10,115	615,219	615,216	3
Salaries of Secretarial and Clerical Assistants	79,982		79,982	79,536	446
Other Salaries	19,105	2,993	22,098	17,680	4,418
Purchased Professional-Educational Services	30,200	785	30,985	20,964	10,021
Other Purchased Services	1,225		1,225	125	1,100
Supplies and Materials	3,905		3,905	2,652	1,253
Other Objects	1,500		1,500	129	1,371
Total Guidance	<u>741,021</u>	<u>13,893</u>	<u>754,914</u>	<u>736,302</u>	<u>18,612</u>
Child Study Teams					
Salaries of Other Professional Staff	613,132	(19,115)	594,017	534,815	59,202
Salaries of Secretarial and Clerical Assistants	90,228		90,228	87,766	2,462
Other Salaries	23,161		23,161	7,557	15,604
Purchased Professional-Educational Services	35,250	(6,140)	29,110	20,677	8,433
Other Purchased Professional and Technical Services	33,050		33,050	32,724	326
Miscellaneous Purchased Services	16,000		16,000	9,929	6,071
Supplies and Materials	10,359		10,359	9,278	1,081
Other Objects	3,875		3,875	2,733	1,142
Total Child Study Teams	<u>825,055</u>	<u>(25,255)</u>	<u>799,800</u>	<u>705,479</u>	<u>94,321</u>
Improvement of Instructional Services					
Salaries of Supervisors of Instruction	155,183	(43,684)	111,499	109,271	2,228
Salaries of Secretarial and Clerical Assistants	51,449	8,100	59,549	52,399	7,150
Other Salaries	19,426		19,426	14,873	4,553
Purchased Professional-Educational Services	115,800	(9,273)	106,527	81,178	25,349
Other Purchased Services	16,000	(100)	15,900	14,518	1,382
Supplies and Materials	20,000	11,945	31,945	28,558	3,387
Other Objects	6,000	2,624	8,624	8,024	600
Total Improvement of Instructional Services	<u>383,858</u>	<u>(30,388)</u>	<u>353,470</u>	<u>308,821</u>	<u>44,649</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

CURRENT EXPENDITURES (Continued)	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
Undistributed Expenditures (Continued)					
Educational Media Services/School Library					
Salaries	\$ 444,516		\$ 444,516	\$ 443,512	\$ 1,004
Salary of Technology Coordinators	458,710	\$ (1,952)	456,758	453,049	3,709
Purchased Professional and Technical Services	529,330	(4,472)	524,858	501,418	23,440
Other Purchased Services	109,346	15,000	124,346	121,263	3,083
Supplies and Materials	47,200	31,799	78,999	61,350	17,649
Other Objects	250	-	250	230	20
Total Educational Media Services/School Library	1,589,352	40,375	1,629,727	1,580,822	48,905
Instructional Staff Training Services					
Salaries of Other Professional Staff	64,163		64,163	41,095	23,068
Other Purchased Services	40,000	(5,000)	35,000	32,769	2,231
Total Instructional Staff Training Services	104,163	(5,000)	99,163	73,864	25,299
Support Services-General Administration					
Salaries	501,904	47,887	549,791	499,066	50,725
Legal Services	93,000	35,186	128,186	63,223	64,963
Audit Fees	32,000	28,690	60,690	28,515	32,175
Architectural/Engineering Services	5,000	7,089	12,089		12,089
Other Purchased Professional Services	14,200	16,650	30,850	30,771	79
Purchased Technical Services	5,000		5,000	1,400	3,600
Communications/Telephone	41,193	(4,200)	36,993	29,214	7,779
BOE Other Purchased Services	3,050		3,050	1,413	1,637
Misc. Purchased Services	62,061	(525)	61,536	54,829	6,707
General Supplies	7,900	2,500	10,400	5,386	5,014
BOE In House Training/Meeting Supplies	500	500	1,000	367	633
Miscellaneous Expenditures	20,840	(9,200)	11,640	10,495	1,145
BOE Membership Dues and Fees	15,812		15,812	15,502	310
Total Support Services- General Administration	802,460	124,577	927,037	740,181	186,856
Support Services- School Administration					
Salaries of Principals/Assistant Principals	1,179,169	5,500	1,184,669	1,179,168	5,501
Salaries of Secretarial and Clerical Assistants	618,528	8,000	626,528	599,537	26,991
Purchased Professional and Technical Services	5,200	1,000	6,200	4,706	1,494
Other Purchased Services	20,427	990	21,417	11,532	9,885
Supplies and Materials	41,688	(3,600)	38,088	34,932	3,156
Other Objects	8,010		8,010	7,371	639
Total Support Services- School Administration	1,873,022	11,890	1,884,912	1,837,246	47,666
Central Services					
Salaries	478,234	38,514	516,748	486,156	30,592
Purchased Technical Services	10,910		10,910	9,345	1,565
Misc. Purchased Services	34,120	19,250	53,370	45,262	8,108
Supplies and Materials	11,680	12,417	24,097	22,823	1,274
Other Objects	11,646	1,000	12,646	7,730	4,916
Total Central Services	546,590	71,181	617,771	571,316	46,455

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Admin. Info. Tech.					
Purchased Technical Services	\$ 36,234		\$ 36,234	\$ 33,806	\$ 2,428
Supplies and Materials	1,000		1,000		1,000
Total Admin. Info. Tech	37,234	-	37,234	33,806	3,428
Required Maintenance for School Facilities					
Salaries	393,915	\$ (12,000)	381,915	364,206	17,709
Cleaning, Repair and Maintenance Services	403,592	49,793	453,385	352,863	100,522
General Supplies	135,000	39,981	174,981	135,678	39,303
Total Required Maintenance for School Facilities	932,507	77,774	1,010,281	852,747	157,534
Custodial Services					
Salaries	77,265		77,265	73,164	4,101
Salaries of Non-Instructional Aides	121,827		121,827	116,397	5,430
Purchased Professional and Technical Services	5,000		5,000		5,000
Cleaning, Repair, & Maintenance Services	1,116,005	(6,700)	1,109,305	1,061,016	48,289
Other Purchased Property Services	90,856	(7,000)	83,856	49,752	34,104
Insurance	176,942		176,942	174,348	2,594
Miscellaneous Purchased Services	7,000		7,000	1,089	5,911
General Supplies	215,850	(29,144)	186,706	121,771	64,935
Energy (Natural Gas)	315,000	6,000	321,000	231,684	89,316
Energy (Electricity)	450,000	(11,795)	438,205	369,125	69,080
Energy (Gasoline)	12,000		12,000	7,000	5,000
Other Objects	6,275		6,275	2,305	3,970
Interest - Energy Savings Impr Prog Bonds	89,400		89,400	89,400	
Principal - Energy Savings Impr Prog Bonds	235,000		235,000	235,000	
Total Custodial Services	2,918,420	(48,639)	2,869,781	2,532,051	337,730
Total Operation and Maintenance of Plant Services	3,850,927	29,135	3,880,062	3,384,798	495,264
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Svc.	47,000	(2,000)	45,000	43,365	1,635
General Supplies	14,000	2,000	16,000	10,753	5,247
Total Care and Upkeep of Grounds	61,000	-	61,000	54,118	6,882
Security					
Purchased Professional and Technical Services	16,400	36,500	52,900	18,961	33,939
Cleaning, Repair and Maintenance Svc.	20,200	1,191	21,391	11,405	9,986
General Supplies	1,000	14,584	15,584	15,413	171
Total Security	37,600	52,275	89,875	45,779	44,096
Student Transportation Services					
Salaries for Pupil Transportation (Between Home & School) - Special	10,688	1,085	11,773	10,724	1,049
Management Fee - ESC & CTSA Trans. Prog.	6,267	1	6,268	5,504	764
Other Purchased Professional and Technical Services	5,600		5,600	5,583	17
Contracted Services - Aid in Lieu of Payments	95,000		95,000	65,130	29,870
Contracted Services(Btw. Home and Sch.)-Vendors		2,660	2,660	2,460	200
Contracted Services(Other Than Between Home and School)-Vendors	8,300	2,060	10,360	7,447	2,913
Contracted Services(Btw. Home and Sch.)-Jt.Agreement	229,045		229,045	205,960	23,085
Contracted Services(Special Ed Students)-Joint Agreeem	453,448	(2,660)	450,788	418,943	31,845
Total Student Transportation Services	808,348	3,146	811,494	721,751	89,743

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

EXHIBIT C-1

	Original Budget	Adjustments/ Transfers	Final Budget	Actual Revenue/ Appropriations	Variance Final Budget to Actual
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Unallocated Employee Benefits					
Social Security Contributions	\$ 392,186	\$ 20,000	\$ 412,186	\$ 402,331	\$ 9,855
Other Retirement Contributions - PERS	440,450		440,450	430,567	9,883
Other Retirement Contributions - Regular	16,600		16,600	9,777	6,823
Unemployment Compensation	10,000		10,000		10,000
Workers Compensation	143,000		143,000	134,704	8,296
Health Benefits	5,751,661	(190,500)	5,561,161	5,115,100	446,061
Tuition Reimbursements	75,000		75,000	71,750	3,250
Other Employee Benefits	216,944		216,944	201,741	15,203
Unused Sick Payment to Terminated/Retired Staff	64,340	25,000	89,340	67,156	22,184
Total Unallocated Employee Benefits	7,110,181	(145,500)	6,964,681	6,433,126	531,555
On Behalf TPAF Pension-Post Retirement Medical Contribution (Non-Budgeted)					
				1,522,884	(1,522,884)
On Behalf TPAF Pension - NCGI (Non-Budgeted)					
				68,837	(68,837)
On Behalf TPAF Pension - Long Term Disability Insurance (Non-Budgeted)					
				3,305	(3,305)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)					
				1,243,890	(1,243,890)
On Behalf TPAF Pension - Normal (Non-Budgeted)					
				3,288,503	<u>(3,288,503)</u>
Total On Behalf TPAF Benefits (Non Budgeted)	-	-	-	6,127,419	(6,127,419)
Total Undistributed Expenditures	22,978,986	390,581	23,369,567	27,274,342	(3,904,775)
Total Current Expenditures	39,535,127	352,282	39,887,409	43,449,013	(3,561,604)
CAPITAL OUTLAY					
Equipment					
Regular - Instruction					
Grades 1-5		2,473	2,473	2,473	
Undistributed					
School Administration		2,257	2,257	2,257	
Custodial Services	19,000	(2,000)	17,000		17,000
Required Maintenance for School Facilities	44,000	52,918	96,918	55,529	41,389
Total Equipment	63,000	55,648	118,648	60,259	58,389
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	155,000		155,000	114,916	40,084
Construction Services	1,270,000	24,036	1,294,036	936,158	357,878
Assessment for Debt Service on SDA Funding	63,786		63,786	63,786	
Total Facilities Acquisition and Construction Services	1,488,786	24,036	1,512,822	1,114,860	397,962
Interest Deposit to Capital Reserve	500	-	500	-	500
Total Capital Outlay	1,552,286	79,684	1,631,970	1,175,119	456,851
Total Expenditures	41,087,413	431,966	41,519,379	44,624,132	(3,104,753)

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual Revenue/ Appropriations</u>	<u>Variance Final Budget to Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,340,000)	\$ (311,233)	\$ (2,651,233)	\$ 924,695	\$ 3,575,928
Other Financing Sources (Uses)					
Operating Transfers Out:					
Transfer to Cover Deficit - Enterprise Fund	(35,000)	-	(35,000)	(35,000)	-
Operating Transfers In:					
Capital Lease Proceeds (Non Budget)	-	-	-	219,016	219,016
Total Other Financing Sources (Uses)	(35,000)	-	(35,000)	184,016	219,016
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,375,000)	(311,233)	(2,686,233)	1,108,711	3,794,944
Fund Balances, Beginning of Year	6,764,298	-	6,764,298	6,764,298	-
Fund Balances, End of Year	\$ 4,389,298	\$ (311,233)	\$ 4,078,065	\$ 7,873,009	\$ 3,794,944

Recapitulation

Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 950,000	
Excess Surplus				800,000	
Maintenance Reserve				250,000	
Capital Reserve				3,252,340	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,295,500	
Assigned Fund Balance:					
Year-end Encumbrances				189,289	
Unassigned Fund Balance				1,135,880	
				7,873,009	
Reconciliation to Governmental Fund Statement (GAAP)					
State Aid Payments Not Recognized on GAAP Basis				(427,386)	
Fund Balance Per Governmental Funds (GAAP)				\$ 7,445,623	

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance-Final Budget to Actual</u>
REVENUES					
Intergovernmental					
State	\$ 347,838	\$ 83,326	\$ 431,164	\$ 399,744	\$ (31,420)
Federal	361,914	186,371	548,285	488,746	(59,539)
Local Sources					
Miscellaneous	-	165,957	165,957	88,027	(77,930)
Total Revenues	<u>709,752</u>	<u>435,654</u>	<u>1,145,406</u>	<u>976,517</u>	<u>(168,889)</u>
EXPENDITURES					
Instruction					
Other Purchased Services	281,090	113,002	394,092	394,092	-
General Supplies	7,200	124,270	131,470	53,543	77,927
Textbooks	21,692	(1,346)	20,346	16,859	3,487
Total Instruction	<u>309,982</u>	<u>235,926</u>	<u>545,908</u>	<u>464,494</u>	<u>81,414</u>
Support Services					
Purchased Professional/Technical Services	96,884	65,145	162,029	102,948	59,081
Purchased Professional/Educational Services	257,154	75,840	332,994	306,710	26,284
Other Purchased Services	1,870	4,910	6,780	6,322	458
Supplies and Materials	27,712	36,496	64,208	62,556	1,652
Other Objects	16,150	(16,150)	-	-	-
Total Support Services	<u>399,770</u>	<u>166,241</u>	<u>566,011</u>	<u>478,536</u>	<u>87,475</u>
CAPITAL OUTLAY					
Equipment					
Regular Instruction	-	33,487	33,487	33,487	-
Total Equipment	<u>-</u>	<u>33,487</u>	<u>33,487</u>	<u>33,487</u>	<u>-</u>
Total Expenditures	<u>709,752</u>	<u>435,654</u>	<u>1,145,406</u>	<u>976,517</u>	<u>168,889</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules (Exhibits C-1 & C-2)	\$ 45,548,827	\$ 976,517
Difference - Budget to GAAP:		
State Aid payments recognized for GAAP Statements not recognized for budgetary purposes (prior year)	365,687	
State Aid payments recognized for budgetary purposes not recognized for GAAP statements (current year)	<u>(427,386)</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 45,487,128</u>	<u>\$ 976,517</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	<u>\$ 44,624,132</u>	<u>\$ 976,517</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (Exhibit B-2)	<u>\$ 44,624,132</u>	<u>\$ 976,517</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

**PENSION INFORMATION
AND
POST-EMPLOYEMENT BENEFITS INFORMATION**

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

**PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Six Fiscal Years ***

	<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)	0.04298%	0.04037%	0.04335%	0.03780%	0.01797%	0.01818%
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 8,461,991</u>	<u>\$ 9,396,412</u>	<u>\$ 12,840,120</u>	<u>\$ 8,485,379</u>	<u>\$ 6,979,610</u>	<u>\$ 6,984,929</u>
District's Covered-Employee Payroll	<u>\$ 2,925,265</u>	<u>\$ 2,885,803</u>	<u>\$ 2,774,030</u>	<u>\$ 2,834,356</u>	<u>\$ 2,633,293</u>	<u>\$ 2,485,571</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	289%	326%	463%	299%	265%	281%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.92%	52.08%	48.72%

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

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last Six Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 427,484	\$ 373,942	\$ 385,148	\$ 324,980	\$ 307,604	\$ 275,377
Contributions in Relation to the Contractually Required Contributions	<u>427,484</u>	<u>373,942</u>	<u>385,148</u>	<u>324,980</u>	<u>307,604</u>	<u>275,377</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered- Employee Payroll	<u>\$ 3,136,825</u>	<u>\$ 2,925,265</u>	<u>\$ 2,885,803</u>	<u>\$ 2,774,030</u>	<u>\$ 2,834,356</u>	<u>\$ 2,633,293</u>
Contributions as a Percentage of Covered-Employee Payroll	13.63%	12.78%	13.35%	11.72%	10.85%	10.46%

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

**TEACHERS PENSION AND ANNUITY FUND
Last Six Fiscal Years ***

	<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)	<u>0.17058%</u>	<u>0.17174%</u>	<u>0.17463%</u>	<u>0.17404%</u>	<u>0.17564%</u>	<u>0.16798%</u>
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 108,518,262</u>	<u>\$ 115,790,526</u>	<u>\$ 137,377,313</u>	<u>\$ 109,999,082</u>	<u>\$ 93,875,902</u>	<u>\$ 84,897,180</u>
Total	<u>\$ 108,518,262</u>	<u>\$ 115,790,526</u>	<u>\$ 137,377,313</u>	<u>\$ 109,999,082</u>	<u>\$ 93,875,902</u>	<u>\$ 84,897,180</u>
District's Covered-Employee Payroll	<u>\$ 18,143,492</u>	<u>\$ 17,819,304</u>	<u>\$ 17,889,201</u>	<u>\$ 17,493,826</u>	<u>\$ 17,507,751</u>	<u>\$ 17,298,380</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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, 2019**

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 5D.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY**

POSTEMPLOYMENT HEALTH BENEFIT PLAN

Last Two Fiscal Years*

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 2,722,155	\$ 3,306,380
Interest on the Total OPEB Liability	2,533,596	2,174,371
Differences Between Expected and Actual Experience	(5,612,086)	
Changes of Assumptions	(6,887,922)	(9,091,672)
Gross Benefit Payments	(1,604,990)	(1,625,881)
Contribution from the Member	<u>55,471</u>	<u>59,869</u>
Net Change in Total OPEB Liability	(8,793,776)	(5,176,933)
Total OPEB Liability - Beginning of Year	<u>68,816,624</u>	<u>73,993,557</u>
Total OPEB Liability - End of Year	<u>\$ 60,022,848</u>	<u>\$ 68,816,624</u>
District's Proportionate Share	\$0	\$0
State's Proportionate Share	<u>\$ 60,022,848</u>	<u>\$ 68,816,624</u>
Total OPEB Liability - Ending	<u>\$ 60,022,848</u>	<u>\$ 68,816,624</u>
Covered-Employee Payroll	\$ 21,068,757	\$ 20,705,107
Total OPEB Liability as a Percentage of		
Covered-Employee Payroll:	284.89%	332.37%

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.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
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, 2019**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 5E.

SCHOOL LEVEL SCHEDULES

EXHIBITS D-1, D-2 AND D-3

NOT APPLICABLE

SPECIAL REVENUE FUND

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

REVENUES	ESEA Title II - Part A	IDEA Part B- Basic	IDEA Part B- Preschool	Non Public Security	Home Instruction	Local Programs	Total Exhibit E-1 Page 2	Total 2019
Intergovernmental								
Federal	\$ 39,779	\$ 428,162	\$ 20,805					\$ 488,746
Local						\$ 88,027		88,027
State	-	-	-	\$ 57,673	\$ 6,972	-	\$ 335,099	399,744
Total Revenues	\$ 39,779	\$ 428,162	\$ 20,805	\$ 57,673	\$ 6,972	\$ 88,027	\$ 335,099	\$ 976,517
EXPENDITURES								
Instruction								
Other Purchased Services		\$ 373,287	\$ 20,805					\$ 394,092
General Supplies						\$ 53,543		53,543
Textbooks	-	-	-	-	-	-	\$ 16,859	16,859
Total Instruction	-	373,287	20,805	-	-	53,543	16,859	464,494
Support Services								
Purchased Professional/Technical Services		54,875		\$ 9,758			38,315	102,948
Purchased Professional/Educational Services	\$ 33,457				\$ 6,972		266,281	306,710
Other Purchased Services	6,322							6,322
Supplies and Materials				47,915		997	13,644	62,556
Other Objects	-	-	-	-	-	-	-	-
Total Support Services	39,779	54,875	-	57,673	6,972	997	318,240	478,536
CAPITAL OUTLAY								
Facilities Acquisition and Construction Services Equipment	-	-	-	-	-	33,487	-	33,487
Total Facilities Acquisition and Construction Services	-	-	-	-	-	33,487	-	33,487
Total Expenditures	\$ 39,779	\$ 428,162	\$ 20,805	\$ 57,673	\$ 6,972	\$ 88,027	\$ 335,099	\$ 976,517

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Non-Public Supplemental Instruction</u>	<u>Non-Public Examination and Classification</u>	<u>Non-Public Corrective Speech</u>	<u>Non-Public Textbooks</u>	<u>Non Public Technology</u>	<u>Non-Public Nursing</u>	<u>Non-Public Comp. Education</u>	<u>Non-Public ESL</u>	<u>Non-Public Transportation</u>	<u>Total Exhibit E-1 Page 2</u>
REVENUES										
Intergovernmental										
Federal										
Local										
State	\$ 44,884	\$ 57,148	\$ 20,713	\$ 16,859	\$ 13,644	\$ 38,315	\$ 124,447	\$ 3,279	\$ 15,810	\$ 335,099
Total Revenues	\$ 44,884	\$ 57,148	\$ 20,713	\$ 16,859	\$ 13,644	\$ 38,315	\$ 124,447	\$ 3,279	\$ 15,810	\$ 335,099
EXPENDITURES										
Instruction										
Textbooks	-	-	-	\$ 16,859	-	-	-	-	-	\$ 16,859
Total Instruction	-	-	-	16,859	-	-	-	-	-	16,859
Support Services										
Purchased Professional/Technical Services						\$ 38,315				38,315
Purchased Professional/Educational Services	\$ 44,884	\$ 57,148	\$ 20,713				\$ 124,447	\$ 3,279	\$ 15,810	266,281
Other Purchased Services										-
Supplies and Materials	-	-	-	-	\$ 13,644	-	-	-	-	13,644
Total Support Services	44,884	57,148	20,713	-	13,644	38,315	124,447	3,279	15,810	318,240
Total Expenditures	\$ 44,884	\$ 57,148	\$ 20,713	\$ 16,859	\$ 13,644	\$ 38,315	\$ 124,447	\$ 3,279	\$ 15,810	\$ 335,099

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOT APPLICABLE

CAPITAL PROJECTS FUND

NOT APPLICABLE

ENTERPRISE FUNDS

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 ENTERPRISE FUNDS - NON MAJOR
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2019

	<u>Social Club Fund</u>	<u>Technology Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Non Major Enterprise Funds</u>
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 24,261	\$ 41,108	\$ 51,216	\$ 116,585
Accounts Receivable	-	291	-	291
Total Current Assets	<u>24,261</u>	<u>41,399</u>	<u>51,216</u>	<u>116,876</u>
LIABILITIES				
Current Liabilities				
Unearned Revenue	2,570			2,570
Accounts Payable	-	-	2,700	2,700
Total Current Liabilities	<u>2,570</u>	<u>-</u>	<u>2,700</u>	<u>5,270</u>
NET POSITION				
Unrestricted	<u>21,691</u>	<u>41,399</u>	<u>48,516</u>	<u>111,606</u>
Total Net Position	<u>\$ 21,691</u>	<u>\$ 41,399</u>	<u>\$ 48,516</u>	<u>\$ 111,606</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS - NONMAJOR
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Social Club Fund</u>	<u>Technology Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUES				
Charges for Services				
Program Fees	\$ 50,660	\$ 19,509	\$ 17,100	\$ 87,269
Total Operating Revenues	<u>50,660</u>	<u>19,509</u>	<u>17,100</u>	<u>87,269</u>
OPERATING EXPENSES				
Salaries and Employee Benefits	31,569		25,245	56,814
Purchased Professional Services			13,791	13,791
Supplies and Materials	785	24,740	4,318	29,843
Total Operating Expenses	<u>32,354</u>	<u>24,740</u>	<u>43,354</u>	<u>100,448</u>
Operating Income (Loss)	<u>18,306</u>	<u>(5,231)</u>	<u>(26,254)</u>	<u>(13,179)</u>
Net Income (Loss) Before Operating Transfers	<u>18,306</u>	<u>(5,231)</u>	<u>(26,254)</u>	<u>(13,179)</u>
Operating Transfers				
Transfers In	-	-	35,000	35,000
Change in Net Position	18,306	(5,231)	8,746	21,821
Total Net Position, Beginning of Year	<u>3,385</u>	<u>46,630</u>	<u>39,770</u>	<u>89,785</u>
Total Net Position, End of Year	<u>\$ 21,691</u>	<u>\$ 41,399</u>	<u>\$ 48,516</u>	<u>\$ 111,606</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS - NONMAJOR
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Social Club Fund</u>	<u>Technology Program Fund</u>	<u>Pay To Participate Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 50,780	\$ 20,112	\$ 17,100	\$ 87,992
Cash Payments for Employees' Salaries and Benefits	(31,569)	-	(27,800)	(59,369)
Payments to Suppliers for Goods and Services	(785)	(24,740)	(18,109)	(43,634)
Net Cash Provided (Used) by Operating Activities	<u>18,426</u>	<u>(4,628)</u>	<u>(28,809)</u>	<u>(15,011)</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Other Funds	-	-	35,000	35,000
Net Cash Provided by Noncapital Financing Activities	-	-	35,000	35,000
Net Increase (Decrease) in Cash and Cash Equivalents	18,426	(4,628)	6,191	19,989
Cash and Cash Equivalents, Beginning of Year	<u>5,835</u>	<u>45,736</u>	<u>45,025</u>	<u>96,596</u>
Cash and Cash Equivalents, End of Year	<u>\$ 24,261</u>	<u>\$ 41,108</u>	<u>\$ 51,216</u>	<u>\$ 116,585</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 18,306	\$ (5,231)	\$ (26,254)	\$ (13,179)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Change in Assets and Liabilities				
(Increase)/Decrease in Accounts Receivable		603		603
Increase/(Decrease) in Accounts Payable			(2,555)	(2,555)
Increase/(Decrease) in Unearned Revenue	120	-	-	120
Total Adjustments	<u>120</u>	<u>603</u>	<u>(2,555)</u>	<u>(1,832)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 18,426</u>	<u>\$ (4,628)</u>	<u>\$ (28,809)</u>	<u>\$ (15,011)</u>

FIDUCIARY FUNDS

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2019**

	<u>Agency</u>		
	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 39,854	\$ 17,044	\$ 56,898
Total Assets	\$ 39,854	\$ 17,044	\$ 56,898
LIABILITIES			
Liabilities			
Accrued Salaries and Wages		\$ 59	\$ 59
Payroll Deductions and Withholdings		16,985	16,985
Payable to Student Groups	\$ 39,854	-	39,854
Total Liabilities	\$ 39,854	\$ 17,044	\$ 56,898

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

THIS STATEMENT IS NOT APPLICABLE

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2019</u>
ELEMENTARY SCHOOLS				
Calvin Coolidge	\$ 2,644	\$ 9,261	\$ 8,532	\$ 3,373
Abraham Lincoln	1,978	15,407	15,741	1,644
George Washington	6,637	16,835	19,693	3,779
Dwight D. Eisenhower	17,357	340,113	331,940	25,530
Sicomac	<u>3,815</u>	<u>6,463</u>	<u>4,750</u>	<u>5,528</u>
 Total	 <u>\$ 32,431</u>	 <u>\$ 388,079</u>	 <u>\$ 380,656</u>	 <u>\$ 39,854</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Balance, July 1, <u>2018</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance, June 30, <u>2019</u>
Accrued Salaries and Wages	\$ 30	\$ 13,589,499	\$ 13,589,470	\$ 59
Payroll Deductions and Withholdings	<u>19,863</u>	<u>11,883,738</u>	<u>11,886,616</u>	<u>16,985</u>
 Total Liabilities	 <u>\$ 19,893</u>	 <u>\$ 25,473,237</u>	 <u>\$ 25,476,086</u>	 <u>\$ 17,044</u>

LONG-TERM DEBT

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Issue</u>	<u>Date of Bonds</u>	<u>Amount of Bonds</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance July 1, 2018</u>	<u>Retired</u>	<u>Balance, June 30, 2019</u>
			<u>Date</u>	<u>Amount</u>				
School Energy Saving Obligation Bonds	3/4/2010	\$ 3,535,000	3/15/2020	\$ 255,000	5.00%			
			3/15/2021	270,000	5.00%			
			3/15/2022	295,000	4.00%			
			3/15/2023	310,000	4.00%			
			3/15/2024	330,000	4.00%			
			3/15/2025	350,000	4.00%			
					\$ 2,045,000	\$ 235,000	\$ 1,810,000	
Refunding School Bonds	2/8/2012	9,485,000	4/1/2020	980,000	4.00%			
			4/1/2021	1,015,000	4.00%			
			4/1/2022	1,060,000	4.00%			
			4/1/2023	1,105,000	3.00%			
			4/1/2024	1,135,000	3.125%			
			4/1/2025	1,165,000	3.25%			
					7,400,000	940,000	6,460,000	
Refunding School Bonds	3/14/2013	12,440,000	4/1/2020	70,000	2.00%			
			4/1/2021	70,000	2.125%			
			4/1/2022	75,000	2.250%			
			4/1/2023	75,000	2.500%			
			4/1/2024	75,000	2.750%			
			4/1/2025	80,000	3.000%			
			4/1/2026	1,360,000	4.000%			
			4/1/2027	1,415,000	4.000%			
			4/1/2028	1,475,000	3.000%			
			4/1/2029	1,520,000	3.000%			
			4/1/2030	1,565,000	3.000%			
			4/1/2031	1,610,000	3.000%			
			4/1/2032	1,660,000	3.000%			
					11,120,000	70,000	11,050,000	
					<u>\$ 20,565,000</u>	<u>\$ 1,245,000</u>	<u>\$ 19,320,000</u>	

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	Interest Rate <u>Payable</u>		Amount of Original <u>Issue</u>	Balance, <u>July 1, 2018</u>	<u>Issued</u>	<u>Retired</u>	Balance, <u>June 30, 2019</u>
Acer Chromebooks	3.47	%	270,400	\$ 90,098		\$ 90,098	
Lenova Chromebooks	3.95		219,016	<u>-</u>	<u>\$ 219,016</u>	<u>-</u>	<u>\$ 219,016</u>
				<u>\$ 90,098</u>	<u>\$ 219,016</u>	<u>\$ 90,098</u>	<u>\$ 219,016</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Adjustments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 1,634,494	-	\$ 1,634,494	\$ 1,634,494	-
Total Revenues	<u>1,634,494</u>	<u>-</u>	<u>1,634,494</u>	<u>1,634,494</u>	<u>-</u>
EXPENDITURES					
Regular Debt Service					
Interest on Bonds	624,494		624,494	624,494	
Redemption of Principal	<u>1,010,000</u>	-	<u>1,010,000</u>	<u>1,010,000</u>	-
Total Expenditures	<u>1,634,494</u>	<u>-</u>	<u>1,634,494</u>	<u>1,634,494</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

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

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

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

J-14 and J-15

Operating Information

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

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
					(Restated)					
Governmental activities										
Net Investment in Capital Assets	\$ 16,230,373	\$ 16,615,237	\$ 17,018,359	\$ 16,504,241	\$ 16,915,916	\$ 17,385,986	\$ 17,769,302	\$ 18,666,868	\$ 19,296,164	\$ 19,865,807
Restricted	551,134	1,063,083	1,802,082	2,415,204	2,511,556	2,014,549	2,070,244	2,832,343	3,481,289	4,797,840
Unrestricted	664,442	1,317,934	980,328	1,665,013	(5,289,907)	(4,634,993)	(5,105,707)	(7,016,266)	(7,073,784)	(7,587,637)
Total governmental activities net position	\$ 17,445,949	\$ 18,996,254	\$ 19,800,769	\$ 20,584,458	\$ 14,137,565	\$ 14,765,542	\$ 14,733,839	\$ 14,482,945	\$ 15,703,669	\$ 17,076,010
Business-type activities										
Net Investment in Capital Assets	\$ 27,420	\$ 44,871	\$ 66,605	\$ 205,110	\$ 189,737	\$ 193,402	\$ 260,658	\$ 253,367	\$ 235,878	\$ 225,009
Unrestricted	171,448	195,463	209,384	99,126	141,231	142,371	75,913	148,850	274,303	380,510
Total business-type activities net position	\$ 198,868	\$ 240,334	\$ 275,989	\$ 304,236	\$ 330,968	\$ 335,773	\$ 336,571	\$ 402,217	\$ 510,181	\$ 605,519
Government-wide										
Net Investment in Capital Assets	\$ 16,257,793	\$ 16,660,108	\$ 17,084,964	\$ 16,709,351	\$ 17,105,653	\$ 17,579,388	\$ 18,029,960	\$ 18,920,235	\$ 19,532,042	\$ 20,090,816
Restricted	551,134	1,063,083	1,802,082	2,415,204	2,511,556	2,014,549	2,070,244	2,832,343	3,481,289	4,797,840
Unrestricted	835,890	1,513,397	1,189,712	1,764,139	(5,148,676)	(4,492,622)	(5,029,794)	(6,867,416)	(6,799,481)	(7,207,127)
Total district net position	\$ 17,644,817	\$ 19,236,588	\$ 20,076,758	\$ 20,888,694	\$ 14,468,533	\$ 15,101,315	\$ 15,070,410	\$ 14,885,162	\$ 16,213,850	\$ 17,681,529

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

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities										
Instruction										
Regular	\$ 15,612,686	\$ 15,253,285	\$ 16,760,683	\$ 16,975,717	\$ 17,030,219	\$ 20,148,435	\$ 22,066,382	\$ 23,990,492	\$ 23,714,838	\$ 22,973,454
Special education	4,811,413	4,980,748	4,856,816	4,997,882	5,405,694	5,907,982	6,518,557	7,189,764	7,160,868	6,126,183
Other instruction	647,680	741,256	846,425	886,013	852,450	795,050	850,106	978,414	973,966	928,851
School Sponsored Activities and Athletics	127,192	86,636	97,696	112,200	106,214	129,997	131,644	159,241	170,978	162,873
Support Services:										
Student and instruction related services	5,477,874	5,545,911	5,662,930	6,347,619	6,772,366	8,188,790	8,632,764	9,737,909	10,087,030	10,011,692
General administration	857,667	882,832	1,020,344	1,195,539	1,060,624	1,276,570	1,210,137	1,257,913	1,365,650	1,224,388
School Administration services	2,077,251	2,052,365	2,150,883	2,293,918	2,341,059	2,697,351	2,843,873	3,315,583	3,323,479	3,155,709
Business/Central Services	831,091	1,055,028	1,070,426	1,318,982	1,192,291	1,197,803	1,083,601	1,108,494	942,039	962,367
Plant operations and maintenance	3,711,759	3,620,660	3,595,224	3,742,384	3,773,045	3,810,500	3,721,279	4,099,517	4,147,435	4,208,887
Pupil transportation	802,943	638,874	571,434	621,941	596,484	636,657	658,430	728,400	705,836	729,828
Interest on long-term debt	1,113,929	1,187,399	889,290	735,649	970,806	948,694	907,955	876,602	834,903	776,506
Total governmental activities expenses	36,071,485	36,044,994	37,522,151	39,227,844	40,101,252	45,737,829	48,624,728	53,442,329	53,427,022	51,260,738
Business-type activities:										
Food service	401,985	436,633	453,492	474,678	484,735	483,464	516,764	473,066	444,864	455,026
Summer enrichment program	25,421	15,073	32,511	37,324	27,382	27,036	27,323	48,057	38,928	55,603
Social Club						25,912	32,747	32,747	22,818	32,354
Chromebook Program						6,813	1,288			24,740
Pay to Participate		36,574	40,256	40,528	45,623	40,395	42,390	46,087	45,029	43,354
Total business-type activities expense	427,406	488,280	526,259	552,530	557,740	576,807	626,037	568,498	551,659	611,077
Total district expenses	\$ 36,498,891	\$ 36,533,274	\$ 38,048,410	\$ 39,780,374	\$ 40,658,992	\$ 46,314,636	\$ 49,250,765	\$ 54,010,827	\$ 53,978,661	\$ 51,871,815
Program Revenues										
Governmental activities:										
Charges for services:										
Special education	\$ 81,271	\$ 150,871	\$ 117,912	\$ 146,890	\$ 89,149	\$ 95,685	\$ 40,589	\$ 57,034	\$ 54,192	\$ 63,732
Transportation Fees						12,368	18,862	24,645	27,457	36,527
Operating grants and contributions	4,901,736	3,735,795	4,442,219	5,372,266	5,076,834	9,622,415	11,560,186	15,216,378	15,952,682	13,204,971
Capital grants and contributions	501	9,631	109,234	-	97,635	468,416	9,292	-	-	-
Total governmental activities program revenues	4,983,508	3,896,297	4,669,365	5,519,156	5,263,618	10,198,884	11,628,929	15,298,057	16,034,331	13,305,230
Business-type activities:										
Charges for services:										
Food service	418,821	443,106	452,670	509,962	513,317	507,930	525,715	520,667	493,470	502,227
Summer enrichment program	31,325	15,800	20,764	22,165	20,800	21,568	18,220	36,600	40,332	80,745
Social Club						28,000	30,659		26,203	50,660
Chromebook Program						21,641	15,787		17,303	19,509
Pay to Participate		12,546	17,079	16,756	15,750	13,875	17,375	15,995	13,600	17,100
Operating grants and contributions	35,079	38,324	38,600							
Total business type activities program revenues	485,225	509,776	529,113	548,883	549,867	571,373	613,610	589,049	590,908	670,241
Total district program revenues	\$ 5,468,733	\$ 4,406,073	\$ 5,198,478	\$ 6,068,039	\$ 5,813,485	\$ 10,770,257	\$ 12,242,539	\$ 15,887,106	\$ 16,625,239	\$ 13,975,471
Net (Expense)/Revenue										
Governmental activities	\$ (31,087,977)	\$ (32,148,697)	\$ (32,852,786)	\$ (33,708,688)	\$ (34,837,634)	\$ (35,538,945)	\$ (36,995,799)	\$ (38,144,272)	\$ (37,392,691)	\$ (37,955,508)
Business-type activities	57,819	21,496	2,854	(3,647)	(7,873)	(5,434)	(12,427)	20,551	39,269	59,164
Total government-wide net expense	\$ (31,030,158)	\$ (32,127,201)	\$ (32,849,932)	\$ (33,712,335)	\$ (34,845,507)	\$ (35,544,379)	\$ (37,008,226)	\$ (38,123,721)	\$ (37,353,422)	\$ (37,896,344)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 29,748,276	\$ 31,329,978	\$ 31,799,928	\$ 32,638,837	\$ 33,634,404	\$ 34,407,661	\$ 35,431,541	\$ 36,134,172	\$ 36,853,242	\$ 37,590,307
Property Taxes levied for debt service	1,811,218	1,811,718	1,813,068	1,657,773	1,508,174	1,626,162	1,391,784	1,628,948	1,631,894	1,634,494
Unrestricted grants and contributions	163,674					39,435	42,861	60,943	61,870	4,351
Donation of Capital Assets	43,505									
Disposal of Capital Assets	(12,461)	(13,168)	(3,079)							
Investment earnings	51,124	56,373	23,163	27,463	32,112	21,995	7,050	5,482	7,428	83,198
Miscellaneous income	40,902	720,444	56,321	199,904	235,280	81,669	103,860	108,393	127,093	50,499
Transfers		(31,463)	(32,100)	(31,600)	(34,300)	(10,000)	(13,000)	(44,560)	(68,112)	(35,000)
Total governmental activities	31,846,238	33,873,882	33,657,301	34,492,377	35,375,670	36,166,922	36,964,096	37,893,378	38,613,415	39,327,849
Business-type activities:										
Investment earnings	215	319	701	294	305	239	225	535	583	1,174
Disposal of Capital Assets		(11,812)								
Transfers		31,463	32,100	31,600	34,300	10,000	13,000	44,560	68,112	35,000
Total business-type activities	215	19,970	32,801	31,894	34,605	10,239	13,225	45,095	68,695	36,174
Total government-wide	\$ 31,846,453	\$ 33,893,852	\$ 33,690,102	\$ 34,524,271	\$ 35,410,275	\$ 36,177,161	\$ 36,977,321	\$ 37,938,473	\$ 38,682,110	\$ 39,364,023
Change in Net Position										
Governmental activities	\$ 758,261	\$ 1,725,185	\$ 804,515	\$ 783,689	\$ 538,036	\$ 627,977	\$ (31,703)	\$ (250,894)	\$ 1,220,724	\$ 1,372,341
Business-type activities	38,034	41,466	35,655	28,247	26,732	4,805	798	65,646	107,964	95,338
Total district	\$ 816,295	\$ 1,766,651	\$ 840,170	\$ 811,936	\$ 564,768	\$ 632,782	\$ (30,905)	\$ (185,248)	\$ 1,328,688	\$ 1,467,679

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ 1,395,124									
Unreserved	1,359,984									
Nonspendable										
Restricted		\$ 1,786,542	\$ 3,087,198	\$ 3,873,192	\$ 4,072,300	\$ 4,314,012	\$ 4,701,797	\$ 4,582,343	\$ 5,381,289	\$ 6,547,840
Committed		213,783								
Assigned		1,275,761	1,049,361	1,112,752	913,526	464,031	494,339	477,422	311,233	189,289
Unassigned		626,780	608,871	617,346	647,846	669,938	699,334	711,915	706,089	708,494
Total general fund	<u>\$ 2,755,108</u>	<u>\$ 3,902,866</u>	<u>\$ 4,745,430</u>	<u>\$ 5,603,290</u>	<u>\$ 5,633,672</u>	<u>\$ 5,447,981</u>	<u>\$ 5,895,470</u>	<u>\$ 5,771,680</u>	<u>\$ 6,398,611</u>	<u>\$ 7,445,623</u>
All Other Governmental Funds										
Reserved	\$ 3,041,690									
Unreserved	333,173									
Nonspendable										
Restricted		\$ 1,041,310	\$ 433,569	\$ 360,958	\$ 258,202	\$ 336,136	\$ 4,046			
Committed										
Assigned										
Unassigned										
Total all other governmental funds	<u>\$ 3,374,863</u>	<u>\$ 1,041,310</u>	<u>\$ 433,569</u>	<u>\$ 360,958</u>	<u>\$ 258,202</u>	<u>\$ 336,136</u>	<u>\$ 4,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beginning with Fiscal Year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Property Tax levy	\$ 31,559,494	\$ 33,141,696	\$ 33,612,996	\$ 34,296,610	\$ 35,142,578	\$ 36,033,823	\$ 36,823,325	\$ 37,763,120	\$ 38,485,136	\$ 39,224,801
Tuition charges	81,271	150,871								
Interest earnings	51,124	56,373	23,163	27,463	32,112	6,669	7,050	5,482	7,428	83,198
Miscellaneous	85,105	834,719	194,247	414,598	439,764	275,222	229,830	253,941	253,386	238,785
State sources	4,200,612	2,751,721	3,909,018	4,755,309	4,441,625	5,280,410	5,680,193	6,233,763	7,085,091	8,062,609
Federal sources	821,096	879,430	622,421	549,153	519,874	529,053	538,080	568,585	562,449	488,746
Total revenue	36,798,702	37,814,810	38,361,845	40,043,133	40,575,953	42,125,177	43,278,478	44,824,891	46,393,490	48,098,139
Expenditures										
Instruction										
Regular Instruction	15,018,142	14,452,311	15,971,754	16,145,019	16,236,968	16,971,203	18,086,826	18,266,060	18,271,204	19,542,500
Special education instruction	4,785,484	4,956,889	4,820,677	4,959,949	5,383,905	5,391,660	5,791,425	5,978,910	6,052,694	5,588,259
Other instruction	658,460	737,413	846,358	882,867	851,329	690,780	718,199	767,254	774,000	819,384
School sponsored activities and athletics	127,192	86,636	97,696	112,200	106,214	114,448	112,448	126,360	137,229	144,945
Support Services:										
Student and inst. related services	5,481,099	5,505,279	5,587,169	6,248,598	6,673,030	7,237,594	7,493,994	7,829,917	8,326,361	8,974,520
General administration services	824,691	825,539	957,543	1,016,756	974,907	1,128,437	1,047,146	990,347	1,115,323	1,081,932
School administration services	2,075,964	2,055,952	2,145,544	2,282,557	2,343,963	2,451,979	2,490,037	2,602,485	2,704,212	2,815,830
Business/Central services	779,965	1,051,992	1,067,927	1,317,053	1,189,511	1,124,016	975,200	882,955	786,011	872,793
Plant operations and maintenance	3,163,649	3,016,310	2,984,149	3,090,854	3,010,798	3,138,718	3,005,755	3,212,575	3,333,117	3,448,724
Pupil transportation	828,528	635,759	568,422	618,965	596,067	636,028	657,073	723,775	702,509	727,754
Capital outlay	1,843,390	3,542,087	1,456,722	427,287	1,125,259	1,272,634	1,091,444	1,579,857	1,355,225	1,166,382
Debt service:										
Principal	715,460	875,043	1,200,500	1,295,566	1,224,926	1,187,570	1,115,000	1,415,344	1,368,549	1,335,098
Interest and other charges	1,157,445	1,227,932	1,008,486	828,613	897,150	877,867	830,663	811,188	772,013	717,022
Bond Issuance Costs			130,023	138,583	-	-	-	-	-	-
Advance Refunding Escrow			1,521,173	1,317,895	-	-	-	-	-	-
Total expenditures	37,459,469	38,969,142	40,364,143	40,682,762	40,614,027	42,222,934	43,415,210	45,187,027	45,698,447	47,235,143
Excess (Deficiency) of revenues over (under) expenditures	(660,767)	(1,154,332)	(2,002,298)	(639,629)	(38,074)	(97,757)	(136,732)	(362,136)	695,043	862,996
Other Financing sources (uses)										
Proceeds from bonds	3,535,000		9,485,000	12,440,000						
Premium on bonds	279,944		1,261,196	246,478						
Payment to Refunded Bond Escrow Agent			(9,095,000)	(11,230,000)						
Capital lease proceeds (non-budgeted)			618,025				265,131	278,860		219,016
Principal on bonds issued										
Transfers in	193	35,511	18,294	8	6	904,502	86,980			
Transfers out	(193)	(66,974)	(50,394)	(31,608)	(34,306)	(914,502)	(99,980)	(44,560)	(68,112)	(35,000)
Total other financing sources (uses)	3,814,944	(31,463)	2,237,121	1,424,878	(34,300)	(10,000)	252,131	234,300	(68,112)	184,016
Net change in fund balances	\$ 3,154,177	\$ (1,185,795)	\$ 234,823	\$ 785,249	\$ (72,374)	\$ (107,757)	\$ 115,399	\$ (127,836)	\$ 626,931	\$ 1,047,012
Debt service as a percentage of noncapital expenditures	5.26%	5.94%	5.68%	5.28%	5.37%	5.04%	4.60%	5.11%	4.83%	4.45%

* Noncapital expenditures are total expenditures less capital outlay.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	<u>Restitution</u>	<u>Tuition</u>	<u>Interest</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Total</u>
2010	\$ 7,621	\$ 81,271	\$ 50,931	\$ 5,965	\$ 27,316	\$ 173,104
2011	6,522	150,871	56,054	1,086	65,488	280,021
2012	6,001	117,912	23,100	5,815	26,332	179,160
2013	7,837	146,890	27,455	5,143	173,841	361,166
2014	7,235	89,149	32,106	42,063	159,824	330,377
2015	11,786	95,685	21,989	3,727	74,484	207,671
2016	6,326	40,589	21,161	11,607	90,678	170,361
2017	6,512	57,034	22,848	10,505	98,655	195,554
2018	2,739	54,192	33,931	19,060	106,248	216,170
2019	540	63,732	83,198	20,578	65,908	233,956

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2010	\$ 42,659,400	\$ 4,469,519,894	\$ 2,779,400	\$ 27,000	\$ 221,726,300	\$ 33,175,000	\$ 1,545,900	\$ 4,771,432,894	\$ 7,271,456	\$ 4,778,704,350	\$ 4,759,016,380	\$ 0.677
2011	39,532,900	4,487,703,143	2,779,400	27,000	222,862,000	33,175,000	1,545,900	4,787,625,343	6,003,258	4,793,628,601	4,636,536,100	0.696
2012	39,171,900	4,494,020,543	2,779,400	27,000	250,965,200	33,175,000	1,545,900	4,821,684,943	6,116,604	4,827,801,547	4,507,239,218	0.704
2013	31,380,600	4,497,796,143	2,779,400	22,700	253,371,600	31,644,000	1,545,900	4,818,540,343	-	4,818,540,343	4,313,961,266	0.721
2014	29,284,743	4,498,457,500	2,779,400	22,700	255,001,400	31,644,000	1,545,900	4,818,735,643	-	4,818,735,643	4,301,161,628	0.739
2015	30,820,900	4,295,188,200	2,493,900	19,400	257,699,500	32,743,400	1,942,500	4,620,907,800	-	4,620,907,800	4,515,521,857	0.788
2016	28,909,400	4,311,852,500	2,493,900	19,400	267,645,600	32,763,400	1,942,500	4,645,626,700	-	4,645,626,700	4,524,284,465	0.803
2017	21,423,800	4,337,725,800	2,493,900	19,400	277,143,600	32,763,400	1,942,500	4,673,512,400	-	4,673,512,400	4,627,781,006	0.816
2018	26,482,100	4,359,590,600	2,493,900	19,400	276,489,300	32,763,400	1,942,500	4,699,781,200	-	4,699,781,200	4,648,256,121	0.827
2019	26,834,900	4,375,681,300	2,493,900	19,400	275,699,700	32,763,400	1,942,500	4,715,435,100	-	4,715,435,100	4,697,494,080	0.841

N/A - Not Available

Source: County Abstract of Ratables

^a Tax rates are per \$100

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(Unaudited)
(rate per \$100 of assessed value)

Calendar Year	Overlapping Rates				Total Direct and Overlapping Tax Rate
	Total Local Direct School Tax Rate	Regional High School District	Municipality	County	
2010	\$ 0.677	\$ 0.364	\$ 0.238	\$ 0.195	\$ 1.474
2011	0.696	0.375	0.245	0.202	1.518
2012	0.704	0.379	0.247	0.204	1.534
2013	0.721	0.379	0.250	0.205	1.555
2014	0.739	0.384	0.256	0.208	1.587
2015	0.788	0.412	0.273	0.240	1.713
2016	0.803	0.408	0.281	0.240	1.732
2017	0.816	0.412	0.283	0.249	1.760
2018	0.827	0.426	0.287	0.242	1.782
2019	0.841	0.435	0.291	0.243	1.810

Source: County Abstract of Ratables

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 PRINCIPAL PROPERTY TAXPAYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (Unaudited)

Taxpayer	2019		Taxpayer	2010	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Munico Associates	\$ 71,572,300	1.52%	Munico Associates	\$ 29,458,000	0.62%
Precision Multiple Controls, Inc.	12,184,200	0.26%	Precision Multiple Controls, Inc.	13,092,700	0.27%
UB Wyckoff I	11,032,600	0.23%	Wyckoff Hye Partners	11,729,000	0.25%
Wyckoff Partners LLC	9,763,300	0.21%	Individual Taxpayer #1	9,841,900	0.21%
Individual Taxpayer #1	8,269,400	0.18%	Individual Taxpayer #2	8,000,000	0.17%
Individual Taxpayer #2	7,717,300	0.16%	Canterbury Development Corp	7,410,000	0.16%
Varnic, LLC	7,307,300	0.15%	Wyckoff Shopping Center	6,979,200	0.15%
Wyckoff Shopping Center	6,192,800	0.13%	Varnic, LLC	6,612,600	0.14%
677 Charnwood Drive LLC	6,125,100	0.13%	Individual Taxpayer #3	6,490,000	0.14%
Wyckoff Capital Advisors LP	3,738,000	0.08%	Wyckoff Properties L.P.	3,675,000	0.08%
	<u>\$ 143,902,300</u>	<u>3.05%</u>		<u>\$ 103,288,400</u>	<u>2.16%</u>

Source: Municipal Tax Assessor

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Local School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 31,559,494	\$ 31,559,494	100.00%	
2011	33,141,696	33,141,696	100.00%	
2012	33,612,996	33,612,996	100.00%	
2013	34,296,610	34,296,610	100.00%	
2014	35,142,578	35,142,578	100.00%	
2015	36,033,823	36,033,823	100.00%	
2016	36,823,325	36,823,325	100.00%	
2017	37,763,120	37,763,120	100.00%	
2018	38,485,186	38,485,186	100.00%	
2019	39,224,801	39,224,801	100.00%	

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Capital Leases</u>			
2010	\$ 27,575,580		\$ 27,575,580	16,912	\$ 1,631
2011	26,700,537		26,700,537	16,747	1,594
2012	26,064,751	\$ 443,311	26,508,062	16,897	1,569
2013	26,145,476	277,020	26,422,496	16,948	1,559
2014	25,090,000	107,570	25,197,570	16,991	1,483
2015	24,010,000		24,010,000	17,020	1,411
2016	22,895,000	265,131	23,160,131	17,066	1,357
2017	21,755,000	268,647	22,023,647	17,050	1,292
2018	20,565,000	90,098	20,655,098	17,064	1,210
2019	19,320,000	219,016	19,539,016	17,068	(E) 1,145

(E) - Estimated

Source: District records

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

General Bonded Debt Outstanding					
Fiscal Year Ended June 30,	General Obligation Debt	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2010	\$ 27,575,580		\$ 27,575,580	0.58%	\$ 1,631
2011	26,700,537		26,700,537	0.56%	1,594
2012	26,064,751		26,064,751	0.54%	1,543
2013	26,145,476		26,145,476	0.54%	1,543
2014	25,090,000		25,090,000	0.52%	1,477
2015	24,010,000		24,010,000	0.52%	1,411
2016	22,895,000		22,895,000	0.49%	1,342
2017	21,755,000		21,755,000	0.47%	1,276
2018	20,565,000		20,565,000	0.44%	1,205
2019	19,320,000		19,320,000	0.41%	1,132

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2018
(Unaudited)

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Wyckoff Township Public Schools	\$ 20,565,000	\$ 20,565,000	
Regional High School - Wyckoff's Share	6,934,052	6,934,052	
Township of Wyckoff	<u>3,287,800</u>	<u>-</u>	<u>\$ 3,287,800</u>
	<u>\$ 30,786,852</u>	<u>\$ 27,499,052</u>	<u>3,287,800</u>
Overlapping Debt Apportioned to the Municipality:			
Bergen County:			
County of Bergen (A)			37,614,044
Northwest Utilities Authority - Water Pollution (B)			<u>2,400,871</u>
			<u>40,014,915</u>
Total Direct and Overlapping Debt			<u>\$ 43,302,715</u>

Source:

(1) Township's 2018 Annual Debt Statement

(A) The debt for this entity was apportioned to the Township of Wyckoff by dividing the municipality's 2018 equalized value by the total 2018 equalized value for Bergen County.

(B) The debt was computed based upon dividing the Township's 2018 billings by the total 2018 billings of the Authority.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2019

Equalized valuation basis

2018	\$ 4,676,864,564
2017	4,617,182,770
2016	4,595,080,811
	<u>\$ 13,889,128,145</u>

Average equalized valuation of taxable property	\$ 4,629,709,382
Debt limit (3 % of average equalization value)	\$ 138,891,281
Total Net Debt Applicable to Limit	<u>(19,320,000)</u>
Legal debt margin	<u>\$ 119,571,281</u>

Fiscal Year Ended June 30,

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 139,486,312	\$ 139,168,518	\$ 137,570,093	\$ 133,835,491	\$130,705,527	\$ 129,884,480	\$ 131,722,597	\$ 134,715,927	\$ 137,073,101	\$ 138,891,281
Total net debt applicable to limit	(27,575,580)	(26,700,537)	(26,064,751)	(26,145,476)	(25,090,000)	(24,010,000)	(22,895,000)	(21,755,000)	(20,565,000)	(19,320,000)
Legal debt margin	<u>\$ 111,910,732</u>	<u>\$ 112,467,981</u>	<u>\$ 111,505,342</u>	<u>\$ 107,690,015</u>	<u>\$105,615,527</u>	<u>\$ 105,874,480</u>	<u>\$ 108,827,597</u>	<u>\$ 112,960,927</u>	<u>\$ 116,508,101</u>	<u>\$ 119,571,281</u>
Total net debt applicable to the limit as a percentage of debt limit	19.77%	19.19%	18.95%	19.54%	19.20%	18.49%	17.38%	16.15%	15.00%	13.91%

Source: Annual Debt Statements

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate</u>
2010	16,912	\$ 65,992	6.1%
2011	16,747	68,865	6.0%
2012	16,897	71,789	6.1%
2013	16,948	71,100	5.5%
2014	16,991	73,637	4.3%
2015	17,020	76,821	3.7%
2016	17,066	77,901	3.5%
2017	17,050	81,203	3.2%
2018	17,064	N/A	2.7%
2019	17,068 (E)	N/A	N/A

N/A - Not Available

(E) - Estimated

(1) Represents the County of Bergen per Capita Personal Income

Source: New Jersey State Department of Education

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Employer	2019		2010	
	Employees	(a) Percentage of Total Municipal Employment	Employees	(a) Percentage of Total Municipal Employment
Christian Health Care Center	888	30%	835	N/A
Wyckoff YMCA	653	22%	667	N/A
Wyckoff Board of Education	479	16%	464	N/A
Eastern Christian Children's Retreat	296	10%	N/A	
Township of Wyckoff	245	8%	N/A	N/A
Blue Moon Mexican Café	105	4%	N/A	N/A
Goldfish Swim School	60	2%	0	N/A
Wyckoff Library	38	1%	N/A	N/A
Eastern Christian Children's Retreat	34	1%	30	N/A
Saint Elizabeth School	26	1%	30	N/A
Budd Built-In Vacuum Cleaners	16	1%	N/A	N/A
Other*	136	4%	N/A	N/A

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Instruction										
Regular	145.8	135.6	142.9	147.8	168.5	153.4	153.9	157.2	153.4	153.0
Special education	43.5	49.8	42.4	45.7	37.3	46.7	43.6	44.8	44.8	46.3
Other special education	18.0	25.0	8.0	8.4	10.1	5.8	5.8	5.8	5.8	5.8
Support Services:										
Student & instruction related services	51.8	55.9	58.1	57.9	42.7	65.8	65.8	69.4	68.2	69.1
General administration	3.0	3.6	3.6	3.6	3.6	4.9	3.6	4.0	3.0	3.2
School administrative services	19.0	18.0	18.0	18.0	18.0	20.0	18.0	18.0	18.0	18.0
Central services	6.4	5.4	5.4	6.4	5.4	6.0	5.6	6.0	6.0	6.0
Administrative Information Technology	2.0	2.3	2.3	2.3	2.3	2.3	1.3			
Plant operations and maintenance	21.4	22.4	11.5	12.0	10.5	6.5	13.3	6.5	7.6	7.2
Pupil transportation	1.1	1.1	1.1	1.4	0.2	0.1	0.1	0.1	0.1	0.1
Special Revenue Funds	-									0.4
Food Service	4.0	2.0	1.4	1.4	1.4	1.4	0.6	0.4	0.4	
Total	<u>316.0</u>	<u>321.1</u>	<u>294.7</u>	<u>304.9</u>	<u>300.0</u>	<u>312.9</u>	<u>311.6</u>	<u>312.2</u>	<u>307.3</u>	<u>309.1</u>

Source: District Personnel Records

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
 (Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School				
2010	2,388	\$ 33,743,174	\$ 14,130	3.51%	221	11.1:1	10.5:1	2,361	2,259	-1.25%	95.68%
2011	2,354	33,324,080	14,156	0.18%	207	12.7:1	11.9:1	2,326	2,327	-1.48%	100.04%
2012	2,279	35,047,239	15,378	8.63%	212	10.8:1	10.6:1	2,255	2,175	-3.05%	96.45%
2013	2,252	36,674,818	16,285	5.90%	216	10.5:1	10.2:1	2,115	2,031	-6.21%	96.03%
2014	2,184	37,366,692	17,109	5.06%	209	10.7:1	10.2:1	1,940	1,868	-8.27%	96.29%
2015	2,110	38,884,863	18,429	7.71%	216	11.0:1	9.8:1	2,105	2,024	8.51%	96.15%
2016	2,103	40,378,103	19,200	4.19%	211	9.5:1	10.7:1	2,075	1,998	-1.43%	96.29%
2017	2,063	41,380,638	20,058	4.47%	213	9.2:1	10.4:1	2,058	1,975	-0.82%	95.97%
2018	1,969	42,202,660	21,434	6.86%	211	9.3:1	9.3:1	1,968	1,882	-4.37%	95.63%
2019	1,932	44,016,641	22,783	6.29%	225	9.1:1	9.8:1	1,903	1,825	-3.30%	95.90%

Sources: District records

- Note:
- a Enrollment based on Total District Enrollment at the close of the school year.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
District Building										
<u>Elementary</u>										
Washington Elementary (1922)										
Square Feet	54,094	54,094	54,094	54,094	54,094	54,094	54,094	54,094	53,858	53,858
Capacity (Students)	408	408	408	408	408	408	408	408	408	408
Enrollment	420	433	417	411	386	355	347	328	330	312
Coolidge Elementary (1931)										
Square Feet	51,798	51,798	51,798	51,798	51,798	51,798	51,798	51,798	55,440	55,440
Capacity (Students)	685	685	685	685	685	685	685	685	685	685
Enrollment	354	339	329	329	344	342	340	321	309	298
Lincoln Elementary (1951)										
Square Feet	55,450	55,450	55,450	55,450	55,450	55,450	55,450	55,450	52,257	52,257
Capacity (Students)	496	496	496	496	496	496	496	496	496	496
Enrollment	403	367	356	340	321	311	313	335	323	310
Sicomac Elementary (1968)										
Square Feet	58,375	58,375	58,375	58,375	58,375	58,375	58,375	58,375	59,800	59,800
Capacity (Students)	449	449	449	449	449	449	449	449	449	449
Enrollment	374	361	329	336	331	317	292	289	288	284
<u>Middle</u>										
Eisenhower Middle School (1960)										
Square Feet	127,282	127,282	127,282	127,282	127,282	127,282	127,282	127,282	146,310	146,310
Capacity (Students)	960	960	960	960	960	960	960	960	960	960
Enrollment	815	831	827	815	774	785	783	790	719	701
<u>Other</u>										
Maintenance										
Square Feet	2,800	2,800	2,800	2,800	2,800	2,800	2,800	4,500	4,500	4,500
Board Office										
Square Feet	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,797	3,797	3,797
Out of District										
Enrollment	22	23	21	21	28	25	27	30	27	27
Totals										
Square Feet	353,179									
Capacity	2,998									
Enrollment										

Number of Schools at June 30, 2019

Elementary = 4
Middle School = 1
Other = 2

Source: District Records

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

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

	<u>Project # (s)</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
School Facilities											
Coolidge E.S.	N/A	\$ 151,426	\$ 172,031	\$ 166,838	\$ 112,781	\$ 103,392	\$ 101,665	\$ 90,292	\$ 98,883	\$ 112,226	\$ 119,003
Lincoln E.S.	N/A	151,896	175,400	163,123	124,649	127,901	125,765	111,695	122,322	138,828	147,212
Sicomac E.S.	N/A	91,354	97,349	140,238	144,518	112,802	110,918	98,510	107,882	122,439	129,833
Washington E.S.	N/A	153,592	140,518	145,929	149,271	127,964	125,827	111,751	122,383	138,897	147,285
Eisenhower M.S.	N/A	210,509	211,531	341,808	292,680	259,114	254,787	226,284	247,813	281,252	298,236
Board of Education	N/A	15,659	12,894	8,280	16,484	3,725	3,663	3,253	3,562	4,042	4,286
Maintenance Bldg.	N/A	4,487	22,771	10,844	6,490	5,987	5,888	5,229	5,727	6,500	6,892
Total School Facilities		<u>\$ 778,923</u>	<u>\$ 832,494</u>	<u>\$ 977,060</u>	<u>\$ 846,873</u>	<u>\$ 740,885</u>	<u>\$ 728,513</u>	<u>\$ 647,014</u>	<u>\$ 708,572</u>	<u>\$ 804,184</u>	<u>\$ 852,747</u>

Source: District Records

Note:
Beginning in fiscal year 2001, the New Jersey State Department of Education required Districts to report maintenance expenditures by location.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF INSURANCE
JUNE 30, 2019
(Unaudited)**

	<u>Coverage</u>	<u>Deductible</u>
Northeast Bergen County School Board Insurance Group (NESBIG)		
Property - Blanket Building and Contents (Including Boiler and Machinery) \$	88,459,730	\$ 5,000
General Liability (Each Occurrence)	1,000,000	
Excess Liability (Each Occurrence and Aggregate)	9,000,000	
Automobile		
Liability	1,000,000	
Umbrella Excess Liability	50,000,000	
Environmental Impairment	4,000,000	15,000
Cyber Liability - (Aggregate Limit)	6,000,000	15000/25,000
Educators Legal Liability	1,000,000	
Employee Dishonesty Per Employee	100,000	5,000
Per Loss	500,000	100,000

Source: Wyckoff School District records.

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
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MARK SACO, CPA
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CHRIS SOHN, CPA

**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 Trustees
Wyckoff Township Public Schools
Wyckoff, 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 Wyckoff Township Public Schools as of and for the fiscal year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the Wyckoff Township Public Schools' basic financial statements and have issued our report thereon dated November 11, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wyckoff Township Public Schools' internal control over financial reporting (internal control) to determine the 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 Wyckoff Township Public Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Wyckoff Township Public Schools' 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.

Compliance and Other Matters

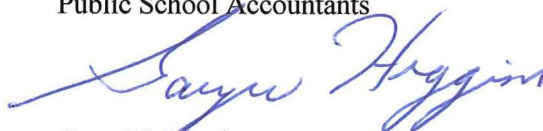
As part of obtaining reasonable assurance about whether the Wyckoff Township Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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.

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



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
November 11, 2019



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA
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JEFFREY C. BLISS, CPA, RMA, PSA
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ROBERT LERCH, CPA
CHRIS SOHN, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE 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 Trustees
Wyckoff Township Public Schools
Wyckoff, New Jersey

Report on Compliance for Each Major State Program

We have audited the Wyckoff Township Public Schools’ compliance with the types of compliance requirements described in the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Wyckoff Township Public Schools’ major state programs for the fiscal year ended June 30, 2019. The Wyckoff Township Public Schools’ major state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of state statutes, regulations, and the terms and conditions of its state financial assistance applicable to its state programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Wyckoff Township Public Schools’ major state programs based on our audit of the types of compliance requirements referred to above. 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 as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and New Jersey Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Wyckoff Township Public Schools’ compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Wyckoff Township Public Schools' compliance.

Opinion on Each Major State Program

In our opinion, the Wyckoff Township Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the Wyckoff Township Public Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Wyckoff Township Public Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Wyckoff Township Public Schools' internal control over compliance.

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

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

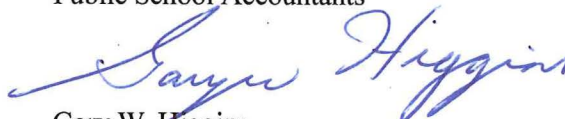
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the Wyckoff Township Public Schools as of and for the fiscal year ended June 30, 2019 and have issued our report thereon dated November 11, 2019, 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 state financial assistance as required by New Jersey OMB Circular 15-08 is presented for purposes of additional analysis and is 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 state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



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



Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
November 11, 2019

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2018	Carrvoer	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Year's Balances	Balance at June 30, 2019			GAAP Receivable	
												(Account Receivable)	Deferred Revenue	Due to Grantor		
U.S. Department of Education Passed-through State Department of Education																
Title I, Part A	84.010	S010A170030	ESEA5920-18	7/1/17-6/30/18	\$ 39,508	\$ (4,063)		\$ 4,063				\$ (15,238)	\$ 15,238			
Title II, Part A	84.367A	S367A180029	ESEA5920-19	7/1/18-6/30/19	38,959		\$ 1,278		\$ 39,779			(38,959)	458		\$ (38,501)	
Title II, Part A - C/O	84.367A	S367A170029	ESEA5920-18	7/1/17-6/30/18	26,768	(25,490)	(1,278)	25,490				(1,278)			(1,278)	
Title II, Part A - C/O	84.367A	S367A160029	ESEA5920-17	7/1/16-6/30/17	35,077	(2,205)		2,205								
Title IV	84.424	S424A170031	NCLB5920-18	7/1/17-6/30/18	10,000	(886)		886								
Temporary Emergency Impact Aid	84.398C	S938C18005	N/A	7/1/17-6/30/18	6,750	(6,750)		6,750								
I.D.E.A. Part B - Basic	84.027	H027A180100	FT-5920-19	7/1/18-6/30/19	449,394		33,259	356,341	428,162			(93,053)	54,491		(38,562)	
I.D.E.A. Part B - Basic C/O	84.027	H027A170100	FT-5920-18	7/1/17-6/30/18	456,780	(29,823)	(33,259)	63,082								
I.D.E.A. Part B, Preschool	84.173	H173A180114	PS-5920-19	7/1/18-6/30/19	23,777		1,619	19,186	20,805			(4,591)	4,591		-	
I.D.E.A. Part B, Preschool C/O	84.173	H173A170114	PS-5920-18	7/1/17-6/30/18	23,472	-	(1,619)	1,619	-	-	-	-	-	-	-	
Special Education Cluster (IDEA)									448,967							
Total U.S. Department of Education						(69,217)	-	479,622	488,746	-	-	(153,119)	74,778	-	(78,341)	
Total Federal Financial Assistance					\$ (69,217)	\$ -	\$ 479,622	\$ 488,746	\$ -	\$ -	\$ (153,119)	\$ 74,778	\$ -	\$ (78,341)		

Note - This schedule was not subject to an audit in accordance with U.S. Uniform Guidance.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2018			Cash Received	Budgetary Expenditures	Refund of Prior Years' Balances	Prior Year Cancelled Payables	Balance at June 30, 2019			MEMO	
				Deferred Revenue (Accts. Rec.)	Due to Grantor	Carryover					(Accounts Receivable)	Deferred Revenue/	Due to Grantor	GAAP Receivable	Combined Total Expenditures
State Department of Education															
Special Education Categorical Aid	19-495-034-5120-089	7/1/18-6/30/19	\$ 831,160				\$ 776,856	\$ 831,160				\$ (54,304)		\$ 831,160	
Special Education Categorical Aid	18-495-034-5120-089	7/1/17-6/30/18	831,160	\$ (57,789)			57,789								
Security Aid	19-495-034-5120-084	7/1/18-6/30/19	118,034				110,322	118,034				(7,712)		118,034	
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	37,516	(2,608)			2,608								
PARCC Readiness	18-495-034-5120-098	7/1/17-6/30/18	21,080	(1,466)			1,466								
Professional Learning Community Aid	18-495-034-5120-101	7/1/17-6/30/18	20,410	(1,419)			1,419								
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	21,080	(1,466)			1,466								
								949,194							
State Aid Public Cluster															
Transportation Aid	19-495-034-5120-014	7/1/18-6/30/19	277,625				259,486	277,625				(18,139)		277,625	
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	59,410	(4,130)			4,130								
Extraordinary Aid	19-100-034-5120-044	7/1/18-6/30/19	347,231				297,963	347,231				(347,231)		347,231	
Extraordinary Aid	18-100-034-5120-044	7/1/17-6/30/18	297,963	(296,809)			297,963	1,154						1,154	
Additional Non Public School Transp. Aid	19-495-034-5120-014	7/1/18-6/30/19	21,941					21,941				(21,941)	\$ (21,941)	21,941	
Additional Non Public School Transp. Aid	18-495-034-5120-014	7/1/17-6/30/18	22,268	(22,268)			22,268								
Reimbursed TPAF Social Security	19-495-034-5094-005	7/1/18-6/30/19	1,243,890				1,243,890	1,243,890						1,243,890	
TPAF Pension - Normal	19-495-034-5094-002	7/1/18-6/30/19	3,288,503				3,288,503	3,288,503						3,288,503	
TPAF Pension PRM Contr.	19-495-034-5094-001	7/1/18-6/30/19	1,522,884				1,522,884	1,522,884						1,522,884	
TPAF Pension - LTDI	19-495-034-5094-004	7/1/18-6/30/19	3,305				3,305	3,305						3,305	
TPAF Pension - NCGI	19-495-034-5094-004	7/1/18-6/30/19	68,837				68,837	68,837						68,837	
Total General Fund				(387,955)	-	-	7,663,192	7,724,564	-	-	(449,327)	-	-	(21,941)	7,724,564
N.J. Nonpublic Aid															
Textbook Aid	19-100-034-5120-064	7/1/18-6/30/19	20,346				20,346	16,859					\$ 3,487	16,859	
Textbook Aid	18-100-034-5120-064	7/1/17-6/30/18	21,692		\$ 3,244				\$ 3,244						
Technology Initiative	19-100-034-5120-373	7/1/18-6/30/19	13,716				13,716	13,644					72	13,644	
Technology Initiative	18-100-034-5120-373	7/1/17-6/30/18	14,652		2				2						
Nursing Services	19-100-034-5120-070	7/1/18-6/30/19	38,315				38,315	38,315						38,315	
Security	19-100-034-5120-509	7/1/18-6/30/19	59,250				59,250	57,673					1,577	57,673	
Auxiliary Services															
Transportation	19-100-034-5120-068	7/1/18-6/30/19	15,810				15,810	15,810						15,810	
English as a Second Language	19-100-034-5120-067	7/1/18-6/30/19	6,557				6,557	3,279					3,278	3,279	
English as a Second Language	18-100-034-5120-067	7/1/17-6/30/18	6,323		3,161				3,161						
Compensatory Education	19-100-034-5120-067	7/1/18-6/30/19	131,304				131,304	124,447					6,857	124,447	
Compensatory Education	18-100-034-5120-067	7/1/17-6/30/18	107,718		4,783				4,783						
Home Instruction	19-100-034-5120-067	7/1/18-6/30/19	6,972					6,972				(6,972)	(6,972)	6,972	
Home Instruction	18-100-034-5120-067	7/1/17-6/30/18	5,165	(5,165)			5,165								
								150,508							
Handicapped Services															
Examination and Classification	19-100-034-5120-066	7/1/18-6/30/19	59,516				59,516	57,148					2,368	57,148	
Examination and Classification	18-100-034-5120-066	7/1/17-6/30/18	52,062		10,913				10,913						
Corrective Speech	19-100-034-5120-066	7/1/18-6/30/19	27,231				27,231	20,713					6,518	20,713	
Corrective Speech	18-100-034-5120-066	7/1/17-6/30/18	19,642		447				447						
Supplemental Instruction	19-100-034-5120-066	7/1/18-6/30/19	49,481				49,481	44,884					4,597	44,884	
Supplemental Instruction	18-100-034-5120-066	7/1/17-6/30/18	43,692		6,502				6,502						
								122,745							
Total Special Revenue Fund				(5,165)	29,052	-	426,691	399,744	29,052	-	(6,972)	-	28,754	(6,972)	399,744
Total State Financial Assistance Subject to Single Audit Determination				(393,120)	29,052	-	8,089,883	8,124,508	29,052	-	(456,299)	-	28,754	(28,913)	8,124,508
State Financial Assistance Not Subject to Single Audit Determination															
General Fund															
TPAF Pension - NCGI	19-495-034-5094-004	7/1/18-6/30/19	68,837				(68,837)	(68,837)							(68,837)
TPAF Pension - LTDI	19-495-034-5094-004	7/1/18-6/30/19	3,305				(3,305)	(3,305)							(3,305)
TPAF Pension - Normal	19-495-034-5094-002	7/1/18-6/30/19	3,288,503				(3,288,503)	(3,288,503)							(3,288,503)
TPAF Pension PRM Contr.	19-495-034-5094-001	7/1/18-6/30/19	1,522,884				(1,522,884)	(1,522,884)							(1,522,884)
Total State Financial Assistance Subject to Major Program Determination				\$ (393,120)	\$ 29,052	\$ -	\$ 3,206,354	\$ 3,240,779	\$ 29,052	\$ -	\$ (456,299)	\$ -	\$ 28,754	\$ (28,913)	\$ 3,240,779

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Wyckoff Township Public Schools. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting. These basis of accounting are described in Notes 1(D) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$61,699 for the general 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		\$ 7,662,865	\$ 7,662,865
Special Revenue Fund	\$ 488,746	399,744	888,490
Total Awards Financial Assistance	<u>\$ 488,746</u>	<u>\$ 8,062,609</u>	<u>\$ 8,551,355</u>

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5 OTHER INFORMATION

TPAF Social Security contributions in the amount of \$1,243,890 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, 2019. The amount reported as TPAF Pension System Contributions in the amount of \$3,357,340, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,522,884 and TPAF Long-Term Disability Insurance in the amount of \$3,305 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2018.

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

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

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I – Summary of Auditor’s Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported

Noncompliance material to the basic financial statements noted? yes X no

Federal Awards Section

NOT APPLICABLE

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I – Summary of Auditor’s Results

State Awards Section

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

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Were significant deficiencies identified that were not considered to be material weaknesses? _____ yes X none reported

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?
_____ yes X no

Identification of major state programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Social Security</u>
_____	_____
_____	_____
_____	_____

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

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

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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 Governing Auditing Standards.

THERE ARE NONE.

WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

NOT APPLICABLE.

CURRENT YEAR STATE AWARDS

THERE ARE NONE.

**WYCKOFF TOWNSHIP PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

STATUS OF PRIOR YEAR FINDINGS

THERE WERE NONE.