

# **Comprehensive Annual Financial Report**

**of the**

**Township of Greenwich  
School District**

**Gibbstown, New Jersey**

**For The Fiscal Year Ended  
June 30, 2020**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
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## **INTRODUCTORY SECTION**

**TOWNSHIP OF GREENWICH BOARD OF EDUCATION**  
**415 SWEDESBORO ROAD, GIBBSTOWN, NEW JERSEY 08027**



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Scott A. Campbell  
School Business Administrator/Board Secretary

Phone: (856) 224-4900 x2120  
Fax: (856) 423-1210

February 2, 2021

Honorable President and  
Members of the Board of Education and  
Township of Greenwich School District  
Gloucester County, New Jersey

Dear Board Members and Constituents of Greenwich Township:

The comprehensive annual financial report of the Township of Greenwich School District for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 is presented in accordance with Governmental Accounting Standards Board Statement No. 34 and includes the Report of Independent Auditors, the Management and Discussion Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. 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 State Treasury Circular 15-08-OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*" Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and questioned costs, are included in the single audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:**

The Township of Greenwich School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No. 3. All funds of the district are included in this report. The Township of Greenwich Board of Education and all its schools constitute the District's reporting entity.

During the 2019-2020 school year, the District provided a wide range of educational services appropriate to grade levels Pre-School Disabled/Kindergarten through Eight. These include regular, vocational special area enrichment as well as special education for the children with "special needs". The Township of Greenwich has a sending/receiving relationship for students at high school age that are transported to Paulsboro High School.

The District completed the 2019-2020 fiscal year with an enrollment of 439 students, an additional 72 students contracted to Paulsboro High School and an additional 91 students contracted to the Gloucester County Institute of Technology on a tuition basis for grades 9-12. The following details the changes in the student enrollment of the District over the last sixteen years:

Fiscal Year	Enrollment	Change
2019-2020	439	8.4%
2018-2019	405	-5.81%
2017-2018	430	-3.37%
2016-2017	445	-2.20%
2015-2016	455	-4.61%
2014-2015	477	0.21%
2013-2014	476	-7.39%
2012-2013	514	-1.92%
2011-2012	517	3.40%
2010-2011	500	-3.66%
2009-2010	519	-2.63%
2008-2009	533	-1.30%
2007-2008	540	-0.18%
2006-2007	541	2.85%
2005-2006	526	-1.13%
2004-2005	532	1.53%
2003-2004	524	4.59%

**2) ECONOMIC CONDITION AND OUTLOOK:**

Greenwich Township is approximately 12.03 square miles with a current estimated population of approximately 4,900 persons. The Township has been known for its large-scale employment centers, which include Paulsboro Refinery Company LLC, Exxon-Mobil Oil Corporation, Delaware River Partners, NJ Distribution Center LLC, Gibbstown Shopping Center, Air Products, Thayer Distribution and Hercules Inc. In recent years, some of these corporations have experienced reductions in employment or have ceased operations. Recent history has shown that the ratable base supplied by these corporations has severely fluctuated. The placement and type of development trends will be important considerations for the future. The trends in housing in Greenwich Township have remained stagnant since the eighties. The future will depend on a balance of potential new residential and employment opportunities in the coming years.

**3) MAJOR INITIATIVES:**

The Greenwich Township School District has completed several major initiatives over previous school years. We have purchased and implemented new social studies and science materials to enhance content and increase rigor in those subject areas. We have completed an analysis of our school wide support systems and developed an integrated plan to maximize supports and services for students. We continue to implement a multi-year plan to integrate all students into the least restrictive educational environment possible; this includes a greater use of co-taught classes and in-class support resources and a reduction of self-contained classroom experiences as appropriate. We have added greater student elective choices, mindfulness training, and an instrumental program in both schools. We have analyzed data to drive decision-making, including PARCC assessment results and chronic absenteeism, to meet our QSAC improvement plan. During a recent QSAC review, the District earned an 85 in Instruction and Programming. This is an increase of 7 points from our initial review. The NJDOE has now identified the Greenwich Township School District as “high performing.”



#### **4) INTERNAL ACCOUNTING CONTROLS:**

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

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control, 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.

#### **5) BUDGETARY CONTROLS:**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignment of fund balance on June 30, 2020.

#### **6) ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds.

#### **7) DEBT ADMINISTRATION:**

As of June 30, 2020, the Township of Greenwich School District had no outstanding bonded debt.

#### **8) CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

#### **9) RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds, worker's compensation, and student insurance.

**10) OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Township of Greenwich Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the State Treasury Circular 15-08-OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*” The auditor’s report on the basic financial statements is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

**11) ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Township of Greenwich School Board for the 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 Business Office Staff.

Respectfully submitted,



Scott A. Campbell  
School Business Administrator/Board Secretary

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT  
GIBBSTOWN, NEW JERSEY**

**ROSTER OF OFFICIALS**

**JUNE 30, 2020**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires December 31,</u></b>
Gerald N. Michael, President	2021
Roseanne Lombardo, Vice President	2022
Andrew Chapkowski	2021
Chad D. Kent	2022
Duane Sarmiento	2020
Amy Vandergrift	2021
Susan J. Vernacchio	2022

**Other Officials**

Dr. Jennifer Foley-Hindman, Chief School Administrator  
Scott A. Campbell, School Business Administrator/Board Secretary  
Charles J. Owens, Treasurer of School Monies

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT  
GIBBSTOWN, NEW JERSEY**

**CONSULTANTS AND ADVISORS**

**Audit Firm**

Bowman & Company LLP  
6 N. Broad Street, Suite 201  
Woodbury, New Jersey 08096

**Attorney**

**Board Solicitor**  
Paul C. Kalac, Esq.  
Weiner Law Group LLP  
629 Parsippany Road  
Parsippany, New Jersey 07054

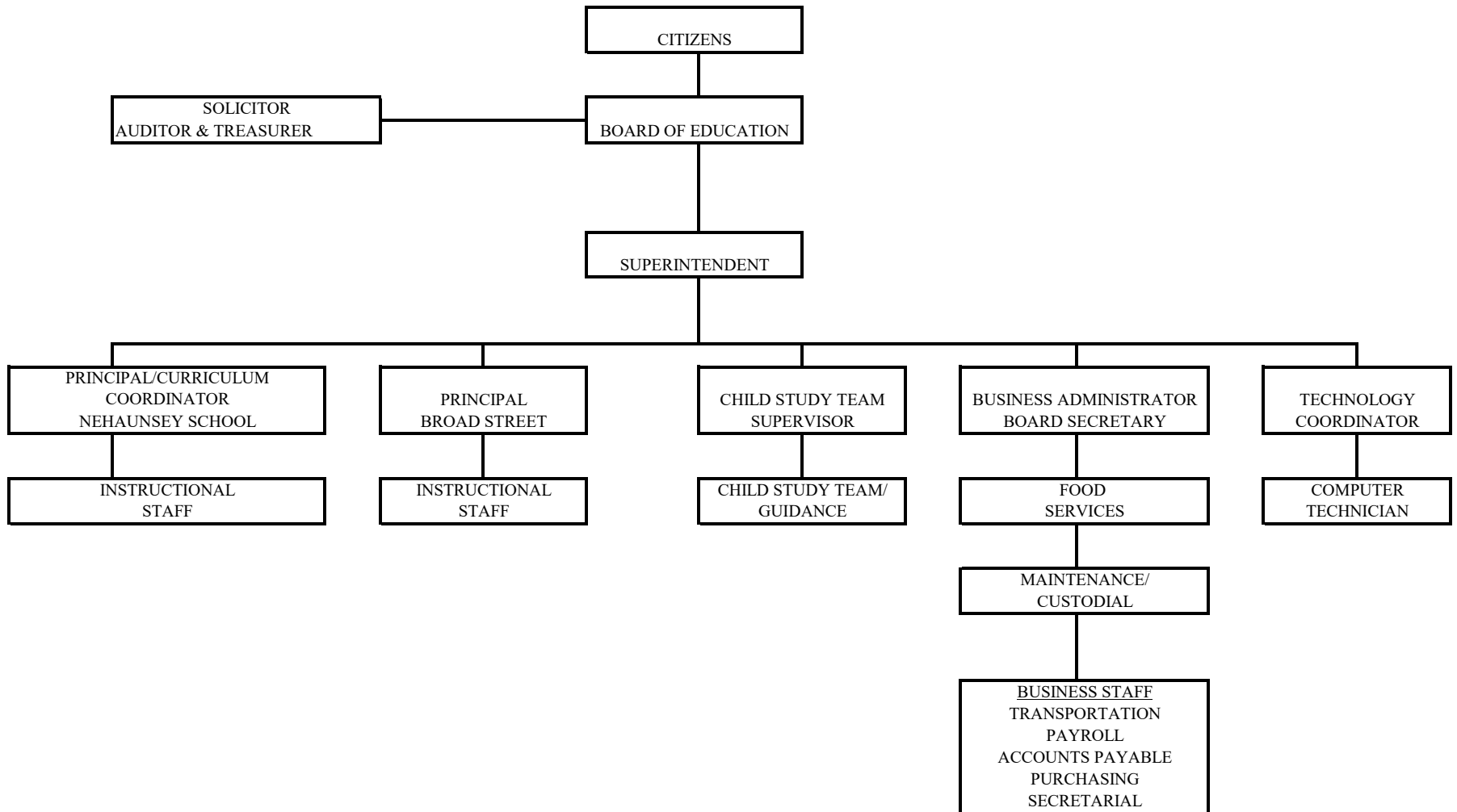
**Official Depositories**

Ocean First Bank  
141 Egg Harbor Road  
Sewell, New Jersey 08080

TOWNSHIP OF GREENWICH SCHOOL DISTRICT  
GIBBSTOWN, NEW JERSEY

ORGANIZATIONAL CHART

JUNE 30, 2020



**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Greenwich Board of Education  
Gibbstown, 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 Township of Greenwich School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### ***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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with 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 Township of Greenwich School District, in the County of Gloucester, State of New Jersey, as of June 30, 2020, 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, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Greenwich School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of and state financial assistance, as required by the State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and 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 accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section listed in the table of contents 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 it.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2021 on our consideration of the Township of Greenwich School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Greenwich School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Greenwich School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Public School Accountant No. CS 00886

Woodbury, New Jersey  
February 2, 2021

**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**

The Honorable President and  
Members of the Board of Education  
Township of Greenwich Board of Education  
Gibbstown, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Greenwich School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 2, 2021.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 Township of Greenwich School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

**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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Public School Accountant No. CS 00886

Woodbury, New Jersey  
February 2, 2021

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART I**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

The discussion and analysis of the Greenwich Township School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to review the District's financial performance as a whole; readers are advised to read it in conjunction with the basic financial statements and the notes to the financial statements to enhance their understanding of the District's performance.

The Management's Discussion and Analysis (MD&A) section of the Comprehensive Annual Financial Report ("CAFR") is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement Number 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments that was issued in June 1999. Certain comparative information between the current year (2019-2020) and the prior year (2018-2019) is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year 2019-2020 are as follows:

- The total assets and deferred outflows of resources of the School District exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$373,312.41 (net position).
- The District's net position increased by a total of \$40,633.72 because of this year's operations. Net position of the business-type activities decreased by \$31,317.23. Net position of the governmental activities increased by \$71,950.95.
- During the year, the District generated \$14,141,245.59 in revenues from governmental activities, a decrease from the previous fiscal year of \$473,864.97 (approximately 3.2%).
- In the District's business-type activities, operating revenues decreased by \$36,588.54 and operating expenses also decreased by \$34,256.95.

### **USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. These statements are organized so the reader can first understand the District as a financial whole. The statements then proceed to provide an increasingly detailed look at specific financial activities.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on the District's most significant funds, reporting on the District's operations in *more detail* than the government-wide financial statements.
  - The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term, as well as what remains for future spending.
  - *Proprietary funds statements* offer short- and long-term financial information about the activities the District operates like a business.
  - *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis (Cont'd)**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

**USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) (CONT'D)**

**Reporting the School District as a Whole**

The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources and uses the accrual basis of accounting like the accounting used by most private-sector businesses. All the current year's revenue and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. These statements report the District's *net position* and how it has changed. Net position is the difference between the District's assets, deferred outflows, liabilities, and deferred inflows represents one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, additional non-financial factors such as changes in the District's property tax base, current laws and policies affecting school districts in New Jersey, educational programs offered, the condition of school buildings and other facilities, and other factors must be considered.

In the government-wide financial statements, the District's activities are divided into two categories:

- *Governmental activities:* Most of the District's basic services are included here, such as alternative and special education. State Aid, the local tax levy and, to a lesser degree, tuition, finance most of these activities.
- *Business-type activities:* The District charges fees to help it cover the costs of certain services it provides. The District's enterprise funds are included here.

**Reporting the District's Most Significant Funds**

The *fund financial statements* focus on the District's most significant funds, reporting on the District's operations in *more detail* than the government-wide financial statements. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on programs.

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The School District has three kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on how cash and other financial assets that can be converted to cash flow in and out, and the balances left at year-end that are available for future spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that are available for spending in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information provided at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis (Cont'd)**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

**USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) (CONT'D)**

- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as student activity funds. The District acts solely as a *trustee* or *agent* for the benefit of others to whom the resources belong. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it may not use these assets to finance its operations.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

Table 1 provides a summary of the School District's net position for fiscal years 2020 and 2019:

**TABLE 1**  
Net Position

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 2,427,154.45	\$ 2,251,284.11	\$ 175,870.34	7.81%
Capital Assets	1,648,939.01	1,690,586.48	(41,647.47)	-2.46%
<b>Total Assets</b>	<b>4,076,093.46</b>	<b>3,941,870.59</b>	<b>134,222.87</b>	<b>3.41%</b>
Deferred Outflow of Resources - Related to Pensions	640,305.00	921,199.00	(280,894.00)	-30.49%
Long-Term Liabilities	2,768,133.43	3,074,784.79	(306,651.36)	-9.97%
Other Liabilities	395,146.62	221,199.11	173,947.51	78.64%
<b>Total Liabilities</b>	<b>3,163,280.05</b>	<b>3,295,983.90</b>	<b>(132,703.85)</b>	<b>-4.03%</b>
Deferred Inflow of Resources - Related to Pensions	1,179,806.00	1,234,407.00	(54,601.00)	-4.42%
Net Position:				
Net Investment in Capital Assets	1,648,939.01	1,690,586.48	(41,647.47)	-2.46%
Restricted	1,763,285.75	1,706,770.40	56,515.35	3.31%
Unrestricted (Deficit)	(3,038,912.35)	(3,064,678.19)	25,765.84	-0.84%
<b>Total Net Position</b>	<b>\$ 373,312.41</b>	<b>\$ 332,678.69</b>	<b>\$ 40,633.72</b>	<b>12.21%</b>

Table 2 provides an illustration of the impact of the School District's Net Position for the implementation of GASB 68.

**TABLE 2**  
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 640,305.00	\$ 921,199.00	\$ (280,894.00)	-30.49%
Less: Net Pension Liability	(2,738,805.00)	(3,039,978.00)	301,173.00	-9.91%
Less: Deferred Inflows Related to Pensions	(1,179,806.00)	(1,234,407.00)	54,601.00	-4.42%
	<b>\$ (3,278,306.00)</b>	<b>\$ (3,353,186.00)</b>	<b>\$ 74,880.00</b>	<b>-2.23%</b>

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis (Cont'd)**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONT'D)**

Table 3 reflects changes in net position for fiscal years 2020 and 2019.

**TABLE 3**  
Change in Net Position

<b>Revenues:</b>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 53,723.50	\$ 75,497.54	\$ (21,774.04)	-28.84%
Federal & State Categorical Grants	2,542,088.45	3,135,518.41	(593,429.96)	-18.93%
General Revenues:				
Property Taxes	10,290,673.00	10,290,673.00	-	
Federal & State Grants	1,157,181.00	1,203,718.00	(46,537.00)	-3.87%
Other	257,591.08	106,303.59	151,287.49	142.32%
	<u>14,301,257.03</u>	<u>14,811,710.54</u>	<u>(510,453.51)</u>	<u>-3.45%</u>
<b>Expenses:</b>				
Instruction:				
Regular	2,851,759.00	2,673,539.10	178,219.90	6.67%
Special Education	928,938.00	1,124,104.61	(195,166.61)	-17.36%
Other Instruction	40,147.00	131,537.80	(91,390.80)	-69.48%
Student Services:				
Tuition	2,029,295.00	2,063,443.04	(34,148.04)	-1.65%
Student and Instruction Related	1,055,081.00	1,151,970.62	(96,889.62)	-8.41%
General Administrative Services	510,283.47	434,312.93	75,970.54	17.49%
School Administrative Services	183,455.00	172,916.25	10,538.75	6.09%
Central Services	213,155.00	213,034.86	120.14	0.06%
Plant Operations and Maintenance	1,846,162.00	1,564,619.64	281,542.36	17.99%
Student Transportation Services	661,895.00	679,357.11	(17,462.11)	-2.57%
Unallocated Benefits	3,658,219.17	4,366,776.34	(708,557.17)	-16.23%
Support Services	79,287.00	78,877.59	409.41	0.52%
Special Schools	11,618.00	9,975.00	1,643.00	16.47%
Food Service	191,328.67	225,585.62	(34,256.95)	-15.19%
	<u>14,260,623.31</u>	<u>14,890,050.51</u>	<u>(629,427.20)</u>	<u>-4.23%</u>
Increase (Decrease) in Net Position	40,633.72	(78,339.97)	118,973.69	-151.87%
Beginning Net Position	332,678.69	411,018.66	(78,339.97)	-19.06%
Ending Net Position	<u>\$ 373,312.41</u>	<u>\$ 332,678.69</u>	<u>\$ 40,633.72</u>	<u>12.21%</u>



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis (Cont'd)**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

**THE SCHOOL DISTRICT'S FUNDS**

Governmental funds reported ending fund balances of \$2,266,217.02. Assigned fund balance includes \$198,198.92 designated for subsequent year's expenditures and \$51,938.35 assigned for encumbrances. Restricted fund balances include the capital reserve account with \$593,888.64 of funds available, the maintenance reserve account with \$281,305.54 of funds available, excess surplus in the amount of \$666,457.49, and excess surplus designated for subsequent year's expenditures in the amount of \$221,634.08. The general fund has an unassigned fund balance of \$252,794.00.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Reimbursements for pension and Social Security contributions of \$1,360,277.51 are non-budgeted items in both revenues and appropriations.

**CAPITAL ASSETS**

At the end of fiscal year 2020 and 2019, the School District had \$1,648,939.01 and \$1,690,586.48, respectively, in capital assets less accumulated depreciation. Table 4 reflects the capital assets.

**TABLE 4**  
**Capital Assets**

Capital Assets (Net of Depreciation):	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Governmental Activities:		
Land	\$ 91,391.00	\$ 91,391.00
Furniture, Fixtures & Equipment	266,933.25	206,122.05
Building and Improvements	<u>1,268,325.76</u>	<u>1,364,363.43</u>
Total Capital Assets Governmental Activities	<u>1,626,650.01</u>	<u>1,661,876.48</u>
Business-type Activities:		
Equipment	<u>22,289.00</u>	<u>28,710.00</u>
Total Capital Assets	<u><u>\$ 1,648,939.01</u></u>	<u><u>\$ 1,690,586.48</u></u>

Depreciation expense was \$156,670.47 for fiscal year ended 2020 and \$151,970.50 for fiscal year ended 2019.

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

Like the rest of the United States, the State of New Jersey has been heavily impacted by the inconsistencies of the economy. For that reason, there is no assurance that state funding can be maintained at current levels. The Township of Greenwich has continued to maintain adequate funding for the District to ensure that the Board of Education and Administration could continue to carry out the District's mission. We strive to be a community center and will continue to offer facilities and services that will be a source of pride for our community. Looking toward next fiscal year, there remains a concern with the lack of enrollment growth in the district and the continual reliance on local property taxes. The need to upgrade our facilities continues to be a concern to the Board and Administration. We continue to be proactive with facilities that are aged, financial resources, and personnel in an effort to stay fiscally responsible.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**Management's Discussion and Analysis (Cont'd)**  
**For the Fiscal Year Ended June 30, 2020**  
**(Unaudited)**

**CONTACTING THE DISTRICT' S FINANCIAL MANAGEMENT**

This financial report is designed to provide New Jersey citizens and taxpayers and our customers with a general overview of the District's finances and to demonstrate the District's accountability for the appropriations and grants that it receives. If you have questions about this report or need additional financial information, contact Scott A. Campbell, School Business Administrator/Board Secretary at the address below or visit our website at [www.greenwich.k12.nj.us](http://www.greenwich.k12.nj.us) .

Greenwich Township Board of Education  
415 Swedesboro Road  
Gibbstown, New Jersey 08027  
(856) 224-4900, x2120

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,393,835.66		\$ 1,393,835.66
Receivables, net	148,471.17	\$ 2,199.40	150,670.57
Inventory		7,454.04	7,454.04
Restricted Assets:			
Capital Reserve Account - Cash	593,888.64		593,888.64
Maintenance Reserve Account - Cash	281,305.54		281,305.54
Capital Assets, net (Note 6)	<u>1,626,650.01</u>	<u>22,289.00</u>	<u>1,648,939.01</u>
<b>Total Assets</b>	<u>4,044,151.02</u>	<u>31,942.44</u>	<u>4,076,093.46</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 9)	<u>640,305.00</u>		<u>640,305.00</u>
<b>LIABILITIES:</b>			
Cash Overdraft		70,103.53	70,103.53
Accounts Payable	140,390.64		140,390.64
Accounts Payable - Related to Pensions	164,852.00		164,852.00
Payable to State Government	7,160.00		7,160.00
Unearned Revenue	3,733.35	3,766.81	7,500.16
Noncurrent Liabilities (Note 7):			
Due within One Year	5,140.29		5,140.29
Due beyond One Year	<u>2,768,133.43</u>		<u>2,768,133.43</u>
<b>Total Liabilities</b>	<u>3,089,409.71</u>	<u>73,870.34</u>	<u>3,163,280.05</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 9)	<u>1,179,806.00</u>		<u>1,179,806.00</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	1,626,650.01	22,289.00	1,648,939.01
Restricted for:			
Capital	593,888.64		593,888.64
Maintenance	281,305.54		281,305.54
Other Purposes	888,091.57		888,091.57
Unrestricted (Deficit)	<u>(2,974,695.45)</u>	<u>(64,216.90)</u>	<u>(3,038,912.35)</u>
<b>Total Net Position (Deficit)</b>	<u>\$ 415,240.31</u>	<u>\$ (41,927.90)</u>	<u>\$ 373,312.41</u>

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ending June 30, 2020

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	\$ 2,851,759.00		\$ 292,424.00		\$ (2,559,335.00)		\$ (2,559,335.00)
Special Instruction	928,938.00				(928,938.00)		(928,938.00)
Other Special Instruction	26,368.00				(26,368.00)		(26,368.00)
School Sponsored Cocurricular Activities	13,779.00				(13,779.00)		(13,779.00)
Undistributed Expenditures and Support Services:							
Tuition	2,029,295.00				(2,029,295.00)		(2,029,295.00)
Attendance and Social Work	984.00				(984.00)		(984.00)
Health Services	156,537.00				(156,537.00)		(156,537.00)
Students - Related Services	164,474.00				(164,474.00)		(164,474.00)
Child Study Team and Guidance Services	414,283.00				(414,283.00)		(414,283.00)
Improvement of Instruction Services	137,418.00				(137,418.00)		(137,418.00)
Educational Media Services/School Library	176,038.00				(176,038.00)		(176,038.00)
Instructional Staff Training Services	5,347.00				(5,347.00)		(5,347.00)
General Administration	510,283.47				(510,283.47)		(510,283.47)
School Administration	183,455.00				(183,455.00)		(183,455.00)
Central Services	213,155.00				(213,155.00)		(213,155.00)
Operation and Maintenance of Plant Services	1,846,162.00				(1,846,162.00)		(1,846,162.00)
Student Transportation Services	661,895.00				(661,895.00)		(661,895.00)
Unallocated Benefits	3,658,219.17		2,064,089.51		(1,594,129.66)		(1,594,129.66)
Support Services	79,287.00		79,287.00				
Special Schools	11,618.00				(11,618.00)		(11,618.00)
<b>Total Governmental Activities</b>	<b>14,069,294.64</b>	<b>-</b>	<b>2,435,800.51</b>	<b>-</b>	<b>(11,633,494.13)</b>	<b>-</b>	<b>(11,633,494.13)</b>
Business-Type Activities:							
Food Service	191,328.67	\$ 53,723.50	106,287.94			\$ (31,317.23)	(31,317.23)
<b>Total Business-Type Activities</b>	<b>191,328.67</b>	<b>53,723.50</b>	<b>106,287.94</b>	<b>-</b>	<b>-</b>	<b>(31,317.23)</b>	<b>(31,317.23)</b>
<b>Total Government</b>	<b>\$ 14,260,623.31</b>	<b>\$ 53,723.50</b>	<b>\$ 2,542,088.45</b>	<b>\$ -</b>	<b>(11,633,494.13)</b>	<b>(31,317.23)</b>	<b>(11,664,811.36)</b>

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ending June 30, 2020

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues and Special Items:			
Local Tax Levy	\$ 10,290,673.00		\$ 10,290,673.00
Federal and State Aid not Restricted	1,157,181.00		1,157,181.00
Tuition Received	63,109.00		63,109.00
Miscellaneous Income	194,482.08		194,482.08
Total General Revenues	<u>11,705,445.08</u>	<u>-</u>	<u>11,705,445.08</u>
Change in Net Position	71,950.95	\$ (31,317.23)	40,633.72
Net Position (Deficit) -- July 1	<u>343,289.36</u>	<u>(10,610.67)</u>	<u>332,678.69</u>
Net Position (Deficit) -- June 30	<u>\$ 415,240.31</u>	<u>\$ (41,927.90)</u>	<u>\$ 373,312.41</u>

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

**FUND FINANCIAL STATEMENTS**



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,392,950.66	\$ 885.00	\$ 1,393,835.66
Receivables from Other Governments	98,186.57	10,278.00	108,464.57
Receivables - Tuition	40,006.60		40,006.60
Restricted Cash and Cash Equivalents:			
Capital Reserve Account	593,888.64		593,888.64
Maintenance Reserve Account	281,305.54		281,305.54
	<u>2,406,338.01</u>	<u>11,163.00</u>	<u>2,417,501.01</u>
<b>Total Assets</b>	<b>\$ 2,406,338.01</b>	<b>\$ 11,163.00</b>	<b>\$ 2,417,501.01</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 140,120.99	\$ 269.65	\$ 140,390.64
Payable to State Government		7,160.00	7,160.00
Unearned Revenue		3,733.35	3,733.35
	<u>140,120.99</u>	<u>11,163.00</u>	<u>151,283.99</u>
<b>Total Liabilities</b>	<b>140,120.99</b>	<b>11,163.00</b>	<b>151,283.99</b>
<b>Fund Balances:</b>			
<b>Restricted:</b>			
Capital Reserve Account	593,888.64		593,888.64
Maintenance Reserve Account	281,305.54		281,305.54
Excess Surplus	666,457.49		666,457.49
Excess Surplus - Subsequent Year's Expenditures	221,634.08		221,634.08
<b>Assigned:</b>			
Subsequent Year's Expenditures			
General Fund Balance	198,198.92		198,198.92
Other Purposes	51,938.35		51,938.35
<b>Unassigned:</b>			
General Fund	252,794.00		252,794.00
	<u>2,266,217.02</u>	<u>-</u>	<u>2,266,217.02</u>
<b>Total Fund Balances</b>	<b>2,266,217.02</b>	<b>-</b>	<b>2,266,217.02</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,406,338.01</b>	<b>\$ 11,163.00</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$10,042,178.71 and the accumulated depreciation is \$8,415,528.70.

1,626,650.01

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

(34,468.72)

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2020

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Net Pension Liability	\$ (2,738,805.00)
Accounts Payable related to the April 1, 2021 Required PERS pension contribution that is not to be liquidated with current financial resources.	(164,852.00)
Deferred Outflows of Resources - Related to Pensions	640,305.00
Deferred Inflows of Resources - Related to Pensions	<u>(1,179,806.00)</u>
Net position of governmental activities	<u>\$ 415,240.31</u>

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ending June 30, 2020

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUES:</b>			
Local Tax Levy	\$ 10,290,673.00		\$ 10,290,673.00
Tuition Charges	63,109.00		63,109.00
Interest Earned on Capital and Maintenance Reserve Funds	5,662.00		5,662.00
Other Restricted Miscellaneous Revenues		\$ 5,000.00	5,000.00
Unrestricted Miscellaneous Revenues	188,820.08		188,820.08
State Sources	2,502,881.51	72,479.00	2,575,360.51
Federal Sources		294,232.00	294,232.00
<b>Total Revenues</b>	<b>13,051,145.59</b>	<b>371,711.00</b>	<b>13,422,856.59</b>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
Regular Instruction	2,534,927.00	292,424.00	2,827,351.00
Special Instruction	928,938.00		928,938.00
Other Special Instruction	26,368.00		26,368.00
School Sponsored Cocurricular Activities	13,779.00		13,779.00
Undistributed Expenditures and Support Services:			
Tuition	2,029,295.00		2,029,295.00
Attendance and Social Work	984.00		984.00
Health Services	156,537.00		156,537.00
Student - Related Services	164,474.00		164,474.00
Child Study Team and Guidance Services	414,283.00		414,283.00
Improvement of Instruction Services	137,418.00		137,418.00
Educational Media Services/School Library	176,038.00		176,038.00
Instructional Staff Training Services	5,347.00		5,347.00
General Administration	400,715.00		400,715.00
School Administration	176,170.00		176,170.00
Central Services	213,155.00		213,155.00
Operation and Maintenance of Plant Services	1,835,077.00		1,835,077.00
Student Transportation Services	661,895.00		661,895.00
Unallocated Benefits	1,646,271.73		1,646,271.73
On-Behalf Pension Contributions	1,089,588.00		1,089,588.00
Reimbursed TPAF Social Security Contributions	270,689.51		270,689.51
Support Services		79,287.00	79,287.00
Capital Outlay	117,120.00		117,120.00
Special Schools	11,618.00		11,618.00
<b>Total Expenditures</b>	<b>13,010,687.24</b>	<b>371,711.00</b>	<b>13,382,398.24</b>
Net Change in Fund Balances	40,458.35	-	40,458.35
Fund Balance -- July 1	2,225,758.67	-	2,225,758.67
Fund Balance -- June 30	\$ 2,266,217.02	\$ -	\$ 2,266,217.02

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ending June 30, 2020

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Total Net Change in Fund Balances - Governmental Funds	\$		40,458.35
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>			
Depreciation Expense	\$	(150,249.47)	
Capital Outlays		115,023.00	(35,226.47)
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>			
			8,838.07
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>			
			57,881.00
Change in Net Position of Governmental Activities	\$		71,950.95

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Proprietary Funds  
 Statement of Net Position  
 June 30, 2020

	<u>Business-Type            Activities -            Enterprise Funds</u>  <u>Food            Service</u>
<b>ASSETS:</b>	
Current Assets:	
Accounts Receivable:	
State	\$ 20.90
Federal	2,166.00
Other	12.50
Inventory	<u>7,454.04</u>
Total Current Assets	<u>9,653.44</u>
Noncurrent Assets:	
Furniture, Fixtures and Equipment	189,492.00
Less Accumulated Depreciation	<u>(167,203.00)</u>
Total Noncurrent Assets	<u>22,289.00</u>
Total Assets	<u>31,942.44</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Cash Overdraft	70,103.53
Unearned Revenue	<u>3,766.81</u>
Total Liabilities	<u>73,870.34</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	22,289.00
Unrestricted (Deficit)	<u>(64,216.90)</u>
Total Net Position (Deficit)	<u>\$ (41,927.90)</u>

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ending June 30, 2020

	Business-Type Activities <u>Enterprise Funds</u>
	<u>Food Service</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 34,408.45
Daily Sales - Non-Reimbursable Programs	19,115.85
Other Revenue	<u>199.20</u>
Total Operating Revenues	<u>53,723.50</u>
<b>OPERATING EXPENSES:</b>	
Cost of Goods Sold - Reimbursable Programs	57,184.71
Cost of Goods Sold - Non-Reimbursable Programs	6,494.95
Purchased Professional Services	105,924.13
Other Purchased Services	8,889.58
General Supplies	6,167.13
Miscellaneous	247.17
Depreciation	<u>6,421.00</u>
Total Operating Expenses	<u>191,328.67</u>
Operating Loss	<u>(137,605.17)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
State Sources:	
State School Lunch Program	1,332.92
Federal Sources:	
National School Lunch Program	57,992.52
National School Breakfast Program	31,544.09
Food Distribution Program	<u>15,418.41</u>
Total Non Operating Revenues (Expenses)	<u>106,287.94</u>
Change in Net Position	(31,317.23)
Net Position (Deficit) -- July 1	<u>(10,610.67)</u>
Total Net Position (Deficit) -- June 30	<u><u>\$ (41,927.90)</u></u>

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Proprietary Funds  
 Statement of Cash Flows  
 For the Fiscal Year Ending June 30, 2020

	<u>Business-Type Activities Enterprise Funds</u>
	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 54,701.48
Payments to Suppliers	<u>(188,886.07)</u>
Net Cash Used for Operating Activities	<u>(134,184.59)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
State Sources	1,392.47
Federal Sources	<u>107,838.93</u>
Net Cash Provided by Non-Capital Financing Activities	<u>109,231.40</u>
Net Increase in Cash and Cash Equivalents	(24,953.19)
Cash and Cash Equivalents -- July 1	<u>(45,150.34)</u>
Cash and Cash Equivalents -- June 30	<u>\$ (70,103.53)</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating Loss	\$ (137,605.17)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	6,421.00
Decrease in Inventory	(3,978.40)
Increase in Unearned Revenue	<u>977.98</u>
Total Adjustments	<u>3,420.58</u>
Net Cash Used for Operating Activities	<u>\$ (134,184.59)</u>

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

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2020

	Agency Funds	
	<u>Student Activity</u>	<u>Payroll</u>
<b>ASSETS:</b>		
Cash and Cash Equivalents	\$ <u>19,459.60</u>	\$ <u>2.51</u>
Total Assets	\$ <u><u>19,459.60</u></u>	\$ <u><u>2.51</u></u>
<b>LIABILITIES:</b>		
Payable to Student Groups	\$ <u>19,459.60</u>	<u>                    </u>
Total Liabilities	\$ <u><u>19,459.60</u></u>	\$ <u><u>2.51</u></u>

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



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2020

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Township of Greenwich School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of seven members elected to three-year terms. These terms are staggered so that up to three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its two schools and send students in grades 9 through 12 to Paulsboro High School on a tuition basis. The School District has an approximate enrollment at June 30, 2020 of 441 at the District's two schools.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

**Component Units**

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

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 government. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges 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 and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Gloucester County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

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

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

**Special Revenue Fund** - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. 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. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Enterprise Funds**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Additionally, the School District reports the following fund types.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

**Agency Funds** - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

As a general rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets / Budgetary Control (Cont'd)**

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash, Cash Equivalents and Investments (Cont'd)**

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

**Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

**Tuition Receivable**

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

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2020. The School District had no prepaid expenses for the fiscal year ended June 30, 2020.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

**Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable or accounts payable.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Capital Assets**

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	5 - 10 Years
Buildings and Improvements	15 - 50 Years

The School District does not possess any infrastructure assets.

**Deferred Outflows and Deferred Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans.

**Tuition Payable**

Tuition charges for the fiscal years ended June 30, 2020 and 2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**Unearned Revenue**

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

**Accrued Salaries and Wages**

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Compensated Absences**

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

The School District uses the termination method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

**Accrued Liabilities and Long-Term Obligations**

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

**Net Position**

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

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

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

***Unrestricted*** - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

***Nonspendable*** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

***Assigned*** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education

***Unassigned*** - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Interfund Activity**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Accounting Estimates**

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

**Impact of Recently Issued Accounting Principles****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements that will become effective for the School District for fiscal years ending after June 30, 2020:

Statement No. 84, *Fiduciary Activities*. 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 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2021. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Statement No. 87, *Leases*. 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. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2022. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2020, the School District's bank balances of \$2,966,747.44 were fully insured by FIDC and GUDPA.

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District by inclusion of \$1,000,000.00 on October 16, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either 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. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning Balance, July 1, 2019		\$ 540,074.02
Increased by:		.
Interest Earnings	\$ 3,814.62	
Deposits:		
2019-2020 Approved Budget	<u>50,000.00</u>	
		<u>53,814.62</u>
Ending Balance, June 30, 2020		<u>\$ 593,888.64</u>

The June 30, 2020 LRFP balance of local support costs of uncompleted projects at June 30, 2020 is \$593,888.64.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2020 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Description	Governmental Funds		Proprietary Funds			Total
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities	
Federal Awards		\$ 3,175.00	\$ 3,175.00	\$ 2,166.00	\$ 2,166.00	\$ 5,341.00
State Awards	\$ 98,186.57	7,103.00	105,289.57	20.90	20.90	105,310.47
Tuition Charges	40,006.60		40,006.60			40,006.60
Provided Services				12.50	12.50	12.50
	<u>\$ 138,193.17</u>	<u>\$ 10,278.00</u>	<u>\$ 148,471.17</u>	<u>\$ 2,199.40</u>	<u>\$ 2,199.40</u>	<u>\$ 150,670.57</u>

**Note 5: INVENTORY**

Inventory recorded at June 30, 2020 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$	5,187.87
Supplies		<u>2,266.17</u>
	\$	<u><u>7,454.04</u></u>

**Note 6: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2020 is as follows:

	<u>Balance</u> <u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2020</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 91,391.00			\$ 91,391.00
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	1,198,074.71	\$ 115,023.00		1,313,097.71
Buildings and Improvements	8,637,690.00			8,637,690.00
Total Capital Assets, being Depreciated	9,835,764.71	115,023.00	-	9,950,787.71
Total Capital Assets, Cost	9,927,155.71	115,023.00	-	10,042,178.71
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(991,952.66)	(54,211.80)		(1,046,164.46)
Buildings and Improvements	(7,273,326.57)	(96,037.67)		(7,369,364.24)
Total Accumulated Depreciation	(8,265,279.23)	(150,249.47)	-	(8,415,528.70)
Total Capital Assets, being Depreciated, Net	1,570,485.48	(35,226.47)	-	1,535,259.01
Governmental Activities Capital Assets, Net	<u>\$ 1,661,876.48</u>	<u>\$ (35,226.47)</u>	<u>\$ -</u>	<u>\$ 1,626,650.01</u>
	<u>Balance</u> <u>July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2020</u>
<b>Business-Type Activities:</b>				
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	\$ 189,492.00			\$ 189,492.00
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(160,782.00)	\$ (6,421.00)		(167,203.00)
Business-Type Activities Capital Assets, Net	<u>\$ 28,710.00</u>	<u>\$ (6,421.00)</u>	<u>\$ -</u>	<u>\$ 22,289.00</u>

**Note 6: CAPITAL ASSETS (CONT'D)**

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

<b>Governmental Activities:</b>	
Regular Instruction	\$ 24,408.00
Other Administrative Services	109,568.47
Plant Operations and Maintenance	7,285.00
Unallocated	<u>8,988.00</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 150,249.47</u>
<b>Business-Type Activities:</b>	
Food Service	<u>\$ 6,421.00</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 6,421.00</u>

**Note 7: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Due within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Other Liabilities:					
Compensated Absences	\$ 43,306.79	\$ 312.18	\$ (9,150.25)	\$ 34,468.72	\$ 5,140.29
Net Pension Liability (note 9)	<u>3,039,978.00</u>	<u>1,799,830.00</u>	<u>(2,101,003.00)</u>	<u>2,738,805.00</u>	
Total Other Liabilities	<u>3,083,284.79</u>	<u>1,800,142.18</u>	<u>(2,110,153.25)</u>	<u>2,773,273.72</u>	<u>5,140.29</u>
Governmental Activities Long-Term Liabilities	<u>\$ 3,083,284.79</u>	<u>\$ 1,800,142.18</u>	<u>\$ (2,110,153.25)</u>	<u>\$ 2,773,273.72</u>	<u>\$ 5,140.29</u>

Compensated absences are liquidated by the general fund.

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Note 8: OPERATING LEASES**

At June 30, 2020, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2021	\$ 22,181.53
2022	6,587.76
2023	6,587.76
2024	4,940.82
	<u>40,297.87</u>
	<u>\$ 40,297.87</u>

Rental payments under operating leases for the fiscal year ended June 30, 2020 were \$22,181.52.

**Note 9: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division. Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Teachers' Pension and Annuity Fund** - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS Board of Trustees is primarily responsible for the administration of the Plan.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

**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 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Public Employees' Retirement System** - 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 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - The membership tiers for PERS are the same as previously noted for TPAF.

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

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 20.12% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2020 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2020 was \$759,810.00, and was paid by April 1, 2020. School District employee contributions to the Plan during the fiscal year ended June 30, 2020 were \$285,629.38.



**Note 9: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 15.10% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2019, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2020 was \$164,852.00, and was paid by April 1, 2020. School District employee contributions to the Plan during the fiscal year ended June 30, 2020 were \$81,859.39.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial no later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2020, employee contributions totaled \$4,804.04, and the School District recognized pension expense, which equaled the required contributions, of \$3,541.04. There were no forfeitures during the fiscal year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Teachers' Pension and Annuity Fund**

**Pension Liability** - At June 30, 2020, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$	-
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District		23,191,708.00
		<u>23,191,708.00</u>
	\$	<u>23,191,708.00</u>

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Teachers' Pension and Annuity Fund (Cont'd)****Pension Liability (Cont'd)**

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. For the June 30, 2019 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2019 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .0377893949%, which was an increase of .0003841230% from its proportion measured as of June 30, 2018.

**Pension Expense** - For the fiscal year ended June 30, 2020, the School District recognized \$1,367,909.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2019 measurement date.

**Public Employees' Retirement System**

At June 30, 2020, the School District reported a liability of \$2,738,805.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2019 measurement date, the School District's proportion was .0151999767%, which was a decrease of .0002396095% from its proportion measured as of June 30, 2018.

**Pension Expense** - For the fiscal year ended June 30, 2020, the School District recognized pension expense of \$89,970.00, in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2019 measurement date.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources** - At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 49,158.00	\$ 12,099.00
Changes of Assumptions	273,480.00	950,631.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	43,233.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	152,815.00	173,843.00
School District Contributions Subsequent to the Measurement Date	164,852.00	-
	<u>\$ 640,305.00</u>	<u>\$ 1,179,806.00</u>

Deferred outflows of resources in the amount of \$164,852.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b><u>Fiscal Year Ending June 30,</u></b>	
2021	\$ (95,639.00)
2022	(229,743.00)
2023	(233,130.00)
2024	(132,608.00)
2025	(13,233.00)
	<u>\$ (704,353.00)</u>

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

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

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

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2019 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2018. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026	1.55% - 4.45%	2.00% - 6.00%
	Based on Yrs. of Service	Based on Yrs. of Service
Thereafter	2.75% - 5.65%	3.00% - 7.00%
	Based on Yrs. of Service	Based on Yrs. of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2015 - June 30, 2018	July 1, 2014 - June 30, 2018

For TPAF, pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2019 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2019 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%
	<u>100.00%</u>	

**Discount Rate -**

**Teachers' Pension and Annuity Fund** - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of the June 30, 2019 measurement date based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers would be based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of the June 30, 2019 measurement date based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers would be based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Note 9: PENSION PLANS (CONT'D)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2019, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2019 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 5.60% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<b>TPAF</b>		
	<b>1% Decrease (4.60%)</b>	<b>Current Discount Rate (5.60%)</b>	<b>1% Increase (6.60%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	27,348,157.00	23,191,708.00	19,743,168.00
	<u>\$ 27,348,157.00</u>	<u>\$ 23,191,708.00</u>	<u>\$ 19,743,168.00</u>

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2019, the Plan's measurement date, calculated using a discount rate of 6.28%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease (5.28%)</b>	<b>Current Discount Rate (6.28%)</b>	<b>1% Increase (7.28%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ 3,483,623.00	\$ 2,738,805.00	\$ 2,146,299.00

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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. For additional information about TPAF and PERS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publically available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

**Employees Covered by Benefit Terms** - At June 30, 2019, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>364,943</u>

**Total Non-Employer OPEB Liability**

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.



**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2020 was \$20,838,622.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. For the June 30, 2019 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .0499378886%, which was a decrease of .0004914260% from its proportion measured as of June 30, 2018.

**Actuarial Assumptions and Other Inputs** - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2018 used the following actuarial assumptions, applied to all periods in the measurement:

**Salary Increases -**

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Through 2026	1.55 - 3.05%	2.00 - 6.00%	3.25 - 15.25%
Thereafter	1.55 - 3.05%	3.00 - 7.00%	3.25 - 15.25%

Based on years of service

**Inflation Rate** - 2.50%.

**Mortality Rates** - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

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

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

**Discount Rate** - The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total Non-Employer OPEB Liability**

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2019		\$ 23,253,377.00
Changes for the Year:		
Service Cost	\$ 772,993.00	
Interest Cost	917,924.00	
Difference Between Expected and Actual Experience	(3,795,656.00)	
Changes in Assumptions	310,706.00	
Gross Benefit Payments	(639,684.00)	
Member Contributions	18,962.00	
Net Changes		<u>(2,414,755.00)</u>
Balance at June 30, 2020		<u>\$ 20,838,622.00</u>

There were no changes in benefit terms between the June 30, 2018 measurement date and the June 30, 2019 measurement date.

Differences between expected and actual experience reflect a decrease in liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims, and premiums experience.

Changes of assumptions reflect a decrease in the liability from June 30, 2018 to June 30, 2019 is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale, and mortality assumptions.

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2019, associated with the School District, using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 24,618,647.00</u>	<u>\$ 20,838,622.00</u>	<u>\$ 17,835,977.00</u>

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2019, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	\$ 17,170,096.00	\$ 20,838,622.00	\$ 25,694,998.00

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability**

**OPEB Expense** - For the fiscal year ended June 30, 2020, the School District recognized \$439,478.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2019 measurement date.

**Deferred Outflows and Inflows of Resources** - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District. However, at June 30, 2020, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Proportion	\$ 586,638.00	\$ 401,089.00
Difference Between Expected and Actual Experience	-	5,235,970.00
Changes of Assumptions	-	4,235,497.00
	<u>\$ 586,638.00</u>	<u>\$ 9,872,556.00</u>

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

<b>Fiscal Year Ending June 30,</b>	
2021	\$ (1,246,273.00)
2022	(1,246,273.00)
2023	(1,246,273.00)
2024	(1,246,273.00)
2025	(1,246,273.00)
Thereafter	<u>(3,054,553.00)</u>
	<u>\$ (9,285,918.00)</u>

**Note 11: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2020, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$780,333.00, \$13,987.00, \$294,678.00, and \$590.00, respectively.

**Note 12: RISK MANAGEMENT**

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

**Joint Insurance Fund** - The School District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation including Employer's Liability  
 General Liability including Police Professional and Employee Benefit Liability  
 Automobile Liability  
 Blanket Crime including Public Employee Dishonesty  
 Property Including Boiler and Machinery  
 Public Officials and Employment Practices Liability  
 Volunteer Directors and Officers Liability  
 Cyber Liability

**Note 12: RISK MANAGEMENT (CONT'D)****Joint Insurance Fund (Cont'd)**

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation  
 Excess General Liability  
 Non-Owned Aircraft Liability  
 Excess Auto Liability  
 Fidelity and Performance (Blanket)  
 Excess Property including Boiler and Machinery  
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended June 30, 2020, which can be obtained from:

Gloucester Cumberland Salem School Districts  
 Joint Insurance Fund  
 P.O. Box 449  
 6000 Sagemore Drive, Suite 6203  
 Marlton, New Jersey 08053

**Note 13: DEFERRED COMPENSATION**

The School District offers its employees a choice of four (4) deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

AXA/Equitable Life Insurance  
 Siracusa Benefits Program  
 Lincoln Investment Planning, Inc.  
 Great American

**Note 14: COMPENSATED ABSENCES**

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

School District employees who are employed for ten months are entitled to twelve paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years (maximized at 23 days). School District employees are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget. Employees hired before July 1, 2016 are not entitled to a payout for sick leave until the employee reaches 20 years of service with the District. Employees hired after July 1, 2016 are not entitled to a payout for sick leave until the employee reaches 25 years of service with the District.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2020, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$34,468.72.

**Note 15: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 16: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 17: FUND BALANCES****NONSPENDABLE**

As stated in note 1, the nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The District did not have any nonspendable fund balances as of June 30, 2020.

**Note 17: FUND BALANCES (CONT'D)****RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**General Fund**

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 is \$666,457.49. Additionally, \$221,634.08 of excess fund balance generated during 2018-2019 has been restricted and designated for utilization in the 2020-2021 budget.

**For Capital Reserve Account** - As of June 30, 2020, the balance in the capital reserve account is \$593,888.64. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Maintenance Reserve Account** - As of June 30, 2020, the balance in the maintenance reserve account is \$281,305.54. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**COMMITTED**

As stated in note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which is the Board of Education. The District did not have any committed fund balances as of June 30, 2020.

**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

**General Fund**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2021 \$198,198.92 of general fund balance at June 30, 2020.

**Other Purposes** - As of June 30, 2020, the School District had \$51,938.35 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Note 17: FUND BALANCES (CONT'D)****UNASSIGNED**

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

**General Fund** - As of June 30, 2020, \$252,794.00 of general fund balance was unassigned.

**Note 18: SUBSEQUENT EVENTS**

**COVID-19** - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.



**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 10,290,673.00		\$ 10,290,673.00	\$ 10,290,673.00	
Tuition	35,958.00		35,958.00	63,109.00	\$ 27,151.00
Unrestricted Miscellaneous Revenue	16,500.00		16,500.00	188,820.08	172,320.08
Interest Earned on Maintenance Reserve	700.00		700.00	1,847.00	1,147.00
Interest Earned on Capital Reserve Funds	2,300.00		2,300.00	3,815.00	1,515.00
<b>Total - Local Sources</b>	<b>10,346,131.00</b>	<b>-</b>	<b>10,346,131.00</b>	<b>10,548,264.08</b>	<b>202,133.08</b>
State Sources:					
Transportation Aid	272,578.00		272,578.00	272,578.00	
Special Education Aid	399,234.00		399,234.00	399,234.00	
Security Aid	133,562.00		133,562.00	133,562.00	
Adjustment Aid	244,931.00		244,931.00	244,931.00	
Extraordinary Aid				84,733.00	84,733.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)					
Normal Cost				780,333.00	780,333.00
Non-Contributory Insurance				13,987.00	13,987.00
Post-Retirement Medical				294,678.00	294,678.00
Long-Term Disability Insurance Contribution				590.00	590.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				270,689.51	270,689.51
<b>Total - State Sources</b>	<b>1,050,305.00</b>	<b>-</b>	<b>1,050,305.00</b>	<b>2,495,315.51</b>	<b>1,445,010.51</b>
Federal Sources:					
Medicaid Reimbursement (SEMI)	25,089.00		25,089.00		(25,089.00)
<b>Total - Federal Sources</b>	<b>25,089.00</b>	<b>-</b>	<b>25,089.00</b>	<b>-</b>	<b>(25,089.00)</b>
<b>Total Revenues</b>	<b>11,421,525.00</b>	<b>-</b>	<b>11,421,525.00</b>	<b>13,043,579.59</b>	<b>1,622,054.59</b>
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool		\$ 67,806.00	67,806.00	67,806.00	
Kindergarten	196,283.00	(52,288.00)	143,995.00	143,695.00	300.00
Grades 1-5	1,188,391.00	(21,323.00)	1,167,068.00	1,154,936.00	12,132.00
Grades 6-8	878,567.00	34,199.00	912,766.00	911,891.00	875.00
Home Instruction:					
Salaries of Teachers	2,500.00		2,500.00		2,500.00
Purchased Professional/Educational Services	5,500.00		5,500.00	3,365.00	2,135.00
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	43,759.00	68,235.00	111,994.00	111,994.00	
Purchased Professional/Educational Services	54,620.00	(4,933.00)	49,687.00	33,370.00	16,317.00
Other Purchased Services (400-500 series)	90,827.00	(13,752.00)	77,075.00	62,461.00	14,614.00
General Supplies	76,373.00	402.00	76,775.00	41,251.00	35,524.00
Textbooks	22,015.00		22,015.00		22,015.00
Misc.	11,489.00		11,489.00	4,158.00	7,331.00
<b>Total - Regular Programs</b>	<b>2,570,324.00</b>	<b>78,346.00</b>	<b>2,648,670.00</b>	<b>2,534,927.00</b>	<b>113,743.00</b>
Special Education Instruction - Resource Room/Resource Center:					
Salaries of Teachers	585,290.00	29,106.00	614,396.00	614,011.00	385.00
Other Salaries for Instruction	341,721.00	(29,106.00)	312,615.00	307,467.00	5,148.00
Purchased Professional/Educational Services	27,550.00		27,550.00	5,063.00	22,487.00
General Supplies	3,552.00		3,552.00	2,397.00	1,155.00
<b>Total Special Education Instruction - Resource Room/Resource Center</b>	<b>958,113.00</b>	<b>-</b>	<b>958,113.00</b>	<b>928,938.00</b>	<b>29,175.00</b>
Special Education Instruction - Preschool Disabilities - Part Time:					
Salaries of Teachers	21,537.00	(21,537.00)			
Other Salaries for Instruction	33,981.00	(33,981.00)			
Purchased Professional/Educational Services	4,039.00	(4,039.00)			
General Supplies	750.00	(750.00)			
<b>Total - Special Education Instruction - Preschool Disabilities - Part Time</b>	<b>60,307.00</b>	<b>(60,307.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - Special Education</b>	<b>1,018,420.00</b>	<b>(60,307.00)</b>	<b>958,113.00</b>	<b>928,938.00</b>	<b>29,175.00</b>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	129,373.00	(74,139.00)	55,234.00	26,368.00	28,866.00
General Supplies	699.00		699.00		699.00
<b>Total - Basic Skills/Remedial - Instruction</b>	<b>130,072.00</b>	<b>(74,139.00)</b>	<b>55,933.00</b>	<b>26,368.00</b>	<b>29,565.00</b>

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures (Cont'd):					
Current Expense (Cont'd):					
School-Sponsored Co/Extra-Curricular Activities - Instruction:					
Salaries	\$ 21,630.00		\$ 21,630.00	\$ 13,320.00	\$ 8,310.00
General Supplies	500.00		500.00	459.00	41.00
Total - School-sponsored Co/Extra-curricular Activities - Instruction	<u>22,130.00</u>	<u>-</u>	<u>22,130.00</u>	<u>13,779.00</u>	<u>8,351.00</u>
Community Services Programs/Operations:					
Salaries	350.00		350.00		350.00
Professional/Tech Service	900.00		900.00		900.00
Total - Community Service Programs/Operations	<u>1,250.00</u>	<u>-</u>	<u>1,250.00</u>	<u>-</u>	<u>1,250.00</u>
<b>TOTAL INSTRUCTION</b>	<u>3,742,196.00</u>	<u>\$ (56,100.00)</u>	<u>3,686,096.00</u>	<u>3,504,012.00</u>	<u>182,084.00</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Regular	1,000,274.00	61,197.00	1,061,471.00	1,061,471.00	
Tuition to Other LEA's Within the State - Special	360,837.00	(5,297.00)	355,540.00	335,443.00	20,097.00
Tuition to County Vocational School	220,320.00	5,875.00	226,195.00	226,195.00	
Tuition to County Special Services and Regional Day Schools	233,820.00	(13,746.00)	220,074.00	197,790.00	22,284.00
Tuition to Private Schools for the Disabled within the State	203,257.00	(17,921.00)	185,336.00	168,524.00	16,812.00
Tuition-State Facilities	39,872.00		39,872.00	39,872.00	
Total - Undistributed Expenditures - Instruction	<u>2,058,380.00</u>	<u>30,108.00</u>	<u>2,088,488.00</u>	<u>2,029,295.00</u>	<u>59,193.00</u>
Undistributed Expenditures - Attendance and Social Work Services:					
Purchased Professional/Educational Services	3,500.00	(2,516.00)	984.00	984.00	
Total - Undistributed Expenditures - Attendance and Social Work Services	<u>3,500.00</u>	<u>(2,516.00)</u>	<u>984.00</u>	<u>984.00</u>	<u>-</u>
Undistributed Expenditures - Health Services:					
Other Professional Salaries	110,324.00		110,324.00	108,847.00	1,477.00
Purchased Professional and Technical Services	69,045.00	(17,420.00)	51,625.00	42,145.00	9,480.00
Other Purchased Services (400-500 series)	1,585.00		1,585.00	897.00	688.00
Supplies and Materials	4,974.00		4,974.00	4,461.00	513.00
Other Objects	273.00		273.00	187.00	86.00
Total - Undistributed Expenditures - Health Services	<u>186,201.00</u>	<u>(17,420.00)</u>	<u>168,781.00</u>	<u>156,537.00</u>	<u>12,244.00</u>
Undistributed Expenditures - Speech, Occupational Therapy, Physical Therapy, and Related Services:					
Salaries	92,750.00	375.00	93,125.00	93,125.00	
Purchased Professional Educational Services	101,265.00	(365.00)	100,900.00	70,811.00	30,089.00
General Supplies	1,950.00	(10.00)	1,940.00	538.00	1,402.00
Total - Undistributed Expenditures - Speech, Occupational Therapy, Physical Therapy, and Related Services	<u>195,965.00</u>	<u>-</u>	<u>195,965.00</u>	<u>164,474.00</u>	<u>31,491.00</u>
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	149,768.00	(16,018.00)	133,750.00	124,667.00	9,083.00
Other Purchased Services (400-500)	450.00		450.00	111.00	339.00
Total Undistributed Expenditures - Guidance	<u>150,218.00</u>	<u>(16,018.00)</u>	<u>134,200.00</u>	<u>124,778.00</u>	<u>9,422.00</u>
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	216,408.00	13,587.00	229,995.00	220,393.00	9,602.00
Salaries of Secretarial and Clerical Assistants	44,064.00		44,064.00	44,064.00	
Purchased Professional Educational Services	7,960.00	2,432.00	10,392.00	10,392.00	
Other Purchased Professional and Technical Services	8,398.00	(26.00)	8,372.00	8,016.00	356.00
Miscellaneous Purchased Services	1,584.00	1.00	1,585.00	1,183.00	402.00
Supplies and Materials	4,845.00		4,845.00	4,612.00	233.00
Other Objects	820.00	25.00	845.00	845.00	
Total Undistributed Expenditures - Child Study Team	<u>284,079.00</u>	<u>16,019.00</u>	<u>300,098.00</u>	<u>289,505.00</u>	<u>10,593.00</u>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Other Professional Staff	3,000.00	(1,395.00)	1,605.00		1,605.00
Salaries of Secretarial and Clerical Assistants	50,086.00	1.00	50,087.00	50,087.00	
Other Salaries	78,042.00		78,042.00	78,042.00	
Other Purchased Services (400-500)	10,317.00	(500.00)	9,817.00	9,135.00	682.00
Other Objects	154.00		154.00	154.00	
Total Undistributed Expenditures- Improvement of Instruction Services	<u>141,599.00</u>	<u>(1,894.00)</u>	<u>139,705.00</u>	<u>137,418.00</u>	<u>2,287.00</u>

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures (Cont'd):					
Current Expense (Cont'd):					
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries of Other Professional Staff	\$ 115,971.00	\$ (16,308.00)	\$ 99,663.00	\$ 99,663.00	
Purchased Technical Services	18,400.00	18,400.00	18,400.00	3,000.00	\$ 15,400.00
Other Purchased Services	79,188.00	(49,039.00)	30,149.00	30,149.00	
General Supplies	127,100.00	60,866.00	187,966.00	152,411.00	35,555.00
<b>Total Undistributed Expenditures - Educational Media Services/School Library</b>	<b>322,259.00</b>	<b>13,919.00</b>	<b>336,178.00</b>	<b>285,223.00</b>	<b>50,955.00</b>
Undistributed Expenditures - Instructional Staff Training Services:					
Other Purchased Services	9,400.00	(224.00)	9,176.00	5,123.00	4,053.00
General Supplies		224.00	224.00	224.00	
<b>Total - Undistributed Expenditures - Instructional Staff Training Services:</b>	<b>9,400.00</b>	<b>-</b>	<b>9,400.00</b>	<b>5,347.00</b>	<b>4,053.00</b>
Undistributed Expenditures - Support Services - General Administration:					
Salaries-Other Professional Services	122,457.00	255.00	122,712.00	122,712.00	
Legal Services	14,917.00	105,127.00	120,044.00	120,044.00	
Audit Fees	27,000.00		27,000.00	27,000.00	
Other Purchased Professional Services	17,590.00	19,337.00	36,927.00	36,925.00	2.00
Purchased Technical Services	5,325.00		5,325.00	5,325.00	
Communications / Telephone	51,436.00	5,767.00	57,203.00	57,203.00	
BOE Other Purchased Services	2,650.00	(1,457.00)	1,193.00	1,193.00	
Miscellaneous Purchased Services	18,828.00	238.00	19,066.00	19,066.00	
General Supplies	1,259.00	1,499.00	2,758.00	2,758.00	
BOE In-House Training/Meeting Supplies	492.00	(18.00)	474.00	474.00	
Miscellaneous Expenditures	1,915.00	(85.00)	1,830.00	1,830.00	
BOE Membership Dues and Fees	6,186.00	(1.00)	6,185.00	6,185.00	
<b>Total Undistributed Expenditures - Support Services - General Administration</b>	<b>270,055.00</b>	<b>130,662.00</b>	<b>400,717.00</b>	<b>400,715.00</b>	<b>2.00</b>
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	107,513.00	1,163.00	108,676.00	108,676.00	
Salaries of Secretarial and Clerical Assistants	60,532.00	(1,256.00)	59,276.00	59,276.00	
Other Purchased Services (400-500)	1,351.00	(350.00)	1,001.00	726.00	275.00
Supplies and Materials	4,023.00	1,908.00	5,931.00	5,931.00	
Other Objects	949.00	612.00	1,561.00	1,561.00	
<b>Total Undistributed Expenditures- Support Services - School Administration</b>	<b>174,368.00</b>	<b>2,077.00</b>	<b>176,445.00</b>	<b>176,170.00</b>	<b>275.00</b>
Undistributed Expenditures - Central Services:					
Salaries-Other Professional Services	206,135.00	(1,970.00)	204,165.00	190,953.00	13,212.00
Purchased Professional Services	2,690.00	(1,742.00)	948.00	948.00	
Purchased Technical Services	11,029.00	2,848.00	13,877.00	13,877.00	
Miscellaneous Purchased Services	2,813.00	(547.00)	2,266.00	2,266.00	
Supplies and Materials	2,385.00	1,406.00	3,791.00	3,791.00	
Miscellaneous Expenditures	1,315.00	5.00	1,320.00	1,320.00	
<b>Total Undistributed Expenditures - Central Services</b>	<b>226,367.00</b>	<b>-</b>	<b>226,367.00</b>	<b>213,155.00</b>	<b>13,212.00</b>
Undistributed Expenditures - Required Maintenance for School Facilities:					
Other Salaries	154,935.00	(1.00)	154,934.00	154,934.00	
Cleaning, Repair, and Maintenance Services	636,219.00	41,832.00	678,051.00	678,051.00	
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>791,154.00</b>	<b>41,831.00</b>	<b>832,985.00</b>	<b>832,985.00</b>	<b>-</b>
Undistributed Expenditures - Custodial Services:					
Salaries	347,967.00	(33,334.00)	314,633.00	314,633.00	
Salaries-Non-Instructional Aides	21,250.00	(1,763.00)	19,487.00	19,487.00	
Purchased Professional and Technical Services	6,711.00	(3,109.00)	3,602.00	3,602.00	
Cleaning, Repair, and Maintenance	22,465.00	43,844.00	66,309.00	66,309.00	
Other Purchased Property Services	3,067.00	(1,600.00)	1,467.00	267.00	1,200.00
Insurance	39,004.00	(16.00)	38,988.00	38,988.00	
Miscellaneous Purchased Services	600.00	(600.00)			
General Supplies	81,750.00	4,590.00	86,340.00	86,340.00	
Natural Gas	72,255.00	(25,012.00)	47,243.00	47,243.00	
Energy (Heat and Electricity)	213,495.00	(7,006.00)	206,489.00	205,064.00	1,425.00
Other Objects	675.00	(187.00)	488.00	488.00	
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>809,239.00</b>	<b>(24,193.00)</b>	<b>785,046.00</b>	<b>782,421.00</b>	<b>2,625.00</b>
Undistributed Expenditures - Security:					
Purchased Professional and Technical Services	108,114.00	(27,401.00)	80,713.00	80,208.00	505.00
Cleaning, Repair, and Maintenance	100,000.00	27,564.00	127,564.00	127,564.00	
General Supplies	18,464.00		18,464.00	17,737.00	727.00
<b>Total Undistributed Expenditures - Security</b>	<b>226,578.00</b>	<b>163.00</b>	<b>226,741.00</b>	<b>225,509.00</b>	<b>1,232.00</b>

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Expenditures (Cont'd):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	\$ 7,510.00		\$ 7,510.00	\$ 7,510.00	
Salaries for Pupil Transportation (Between Home and School) - Special Ed.	7,510.00		7,510.00	7,510.00	
Aid in Lieu - Non-Public	29,000.00	\$ (14,333.00)	14,667.00	13,447.00	\$ 1,220.00
Aid in Lieu - Charter	1,000.00	1,689.00	2,689.00	2,689.00	
Aid in Lieu - School Choice	12,000.00	(6,793.00)	5,207.00	5,207.00	
Contracted Services (Between Home and School) - Vendors	375,273.00	(3,546.00)	371,727.00	321,118.00	50,609.00
Contracted Services (Other Than Between Home and School) - Vendors	8,907.00		8,907.00	545.00	8,362.00
Contracted Services (Special Education) - Vendors	304,813.00	(11,398.00)	293,415.00	293,415.00	
Contracted Services (Special Education) - Joint Agreements	7,383.00		7,383.00	5,190.00	2,193.00
Miscellaneous Purchased Services - Transportation	5,567.00	(281.00)	5,286.00	5,264.00	22.00
General Supplies	400.00		400.00	400.00	400.00
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>759,363.00</b>	<b>(34,662.00)</b>	<b>724,701.00</b>	<b>661,895.00</b>	<b>62,806.00</b>
Unallocated Benefits - Employee Benefits:					
Group Insurance	1,083.00	(166.00)	917.00	917.00	
Social Security Contributions	145,774.00		145,774.00	103,959.00	41,815.00
Other Retirement Contributions - Regular	193,570.00		193,570.00	154,477.00	39,093.00
Unemployment Compensation	20,219.00		20,219.00	17,962.00	2,257.00
Worker's Compensation	36,676.00		36,676.00	36,661.00	15.00
Health Benefits	1,423,289.00	(41,311.00)	1,381,978.00	1,300,807.73	81,170.27
Tuition Reimbursement	21,000.00		21,000.00	17,616.00	3,384.00
Other Employee Benefits	6,236.00		6,236.00	5,372.00	864.00
Unused Sick Payments	8,500.00		8,500.00	8,500.00	
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>1,856,347.00</b>	<b>(41,477.00)</b>	<b>1,814,870.00</b>	<b>1,646,271.73</b>	<b>168,598.27</b>
On-Behalf T.P.A.F. Pension Contributions (Non-Budgeted)					
Normal Cost				780,333.00	(780,333.00)
Non-Contributory Insurance				13,987.00	(13,987.00)
Post-Retirement Medical				294,678.00	(294,678.00)
Long-Term Disability Insurance Contribution				590.00	(590.00)
Reimbursed T.P.A.F. Social Security Contributions (Non-Budgeted)				270,689.51	(270,689.51)
<b>Total On-Behalf T.P.A.F. Social Security/Pension Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,360,277.51</b>	<b>(1,360,277.51)</b>
<b>Total Undistributed Expenditures</b>	<b>8,465,072.00</b>	<b>96,599.00</b>	<b>8,561,671.00</b>	<b>9,492,960.24</b>	<b>(931,289.24)</b>
Other Current Expense					
Interest Earned on Maintenance Reserve	50,000.00		50,000.00		50,000.00
Increase in Maintenance Reserve	700.00		700.00		700.00
<b>Total Other Current Expense</b>	<b>50,700.00</b>	<b>-</b>	<b>50,700.00</b>	<b>-</b>	<b>50,700.00</b>
<b>Total Current Expense</b>	<b>12,257,968.00</b>	<b>40,499.00</b>	<b>12,298,467.00</b>	<b>12,996,972.24</b>	<b>(698,505.24)</b>
Capital Expenditures:					
Increase in Capital Reserve	50,000.00		50,000.00		50,000.00
Interest Deposit to Capital Reserve	2,300.00		2,300.00		2,300.00
Assessment for Debt Service on SDA Funding	2,097.00		2,097.00	2,097.00	
<b>Total Capital Expenditures</b>	<b>54,397.00</b>	<b>-</b>	<b>54,397.00</b>	<b>2,097.00</b>	<b>52,300.00</b>
<b>Total Capital Outlay</b>	<b>54,397.00</b>	<b>-</b>	<b>54,397.00</b>	<b>2,097.00</b>	<b>52,300.00</b>
Special Schools:					
Summer School - Instruction					
Salaries of Teachers	10,080.00	(532.00)	9,548.00	8,565.00	983.00
Other Salaries for Instruction	2,520.00	533.00	3,053.00	3,053.00	
<b>Total Special Schools</b>	<b>12,600.00</b>	<b>1.00</b>	<b>12,601.00</b>	<b>11,618.00</b>	<b>983.00</b>
<b>Total Expenditures</b>	<b>12,324,965.00</b>	<b>40,500.00</b>	<b>12,365,465.00</b>	<b>13,010,687.24</b>	<b>(645,222.24)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(903,440.00)	(40,500.00)	(943,940.00)	32,892.35	976,832.35
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(903,440.00)	40,500.00	(943,940.00)	32,892.35	976,832.35
Fund Balances, July 1	2,315,263.67		2,315,263.67	2,315,263.67	
Fund Balances, June 30	\$ 1,411,823.67	\$ 40,500.00	\$ 1,371,323.67	\$ 2,348,156.02	\$ 976,832.35

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>Recapitulation:</b>					
Restricted:					
Capital Reserve				\$ 593,888.64	
Maintenance Reserve				281,305.54	
Excess Surplus				666,457.49	
Excess Surplus Designated for Subsequent Year's Expenditures				221,634.08	
Assigned:					
Designated for Subsequent Year's Expenditures:					
General Fund Balance				198,198.92	
Encumbrances				51,938.35	
Unassigned Fund Balance				<u>334,733.00</u>	
				2,348,156.02	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>81,939.00</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 2,266,217.02</u>	

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ending June 30, 2020

	Original <u>Budget</u>	Budget <u>Transfers</u>	Original/ Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>REVENUES:</b>					
State Sources	\$ 57,030.00	\$ 22,609.00	\$ 79,639.00	\$ 72,479.00	\$ (7,160.00)
Federal Sources	293,847.00	385.00	294,232.00	294,232.00	
Other Sources		5,000.00	5,000.00	5,000.00	
<b>Total Revenues</b>	<u>350,877.00</u>	<u>27,994.00</u>	<u>378,871.00</u>	<u>371,711.00</u>	<u>(7,160.00)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	55,452.00	725.00	56,177.00	56,177.00	
Purchased Technical Services	22,380.00	(2,500.00)	19,880.00	19,880.00	
Tuition	177,399.00	22,609.00	200,008.00	192,961.00	7,047.00
General Supplies	12,187.00	11,332.00	23,519.00	23,406.00	113.00
<b>Total Instruction</b>	<u>267,418.00</u>	<u>32,166.00</u>	<u>299,584.00</u>	<u>292,424.00</u>	<u>7,160.00</u>
Support Services:					
Other Employee Benefits	16,823.00	(327.00)	16,496.00	16,496.00	
Purchased Educational Services	6,499.00		6,499.00	6,499.00	
Purchased Technical Services	50,087.00	(3,845.00)	46,242.00	46,242.00	
General Supplies	10,050.00		10,050.00	10,050.00	
<b>Total Support Services</b>	<u>83,459.00</u>	<u>(4,172.00)</u>	<u>79,287.00</u>	<u>79,287.00</u>	<u>-</u>
<b>Total Expenditures</b>	<u>350,877.00</u>	<u>27,994.00</u>	<u>378,871.00</u>	<u>371,711.00</u>	<u>7,160.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ending June 30, 2020

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-series)	\$ 13,043,579.59	\$ 371,711.00
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	-
Prior Year	-	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2019.	89,505.00	-
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2020.	<u>(81,939.00)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ <u>13,051,145.59</u>	\$ <u>371,711.00</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 13,010,687.24	\$ 371,711.00
Difference - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year	-	-
Prior Year	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ <u>13,010,687.24</u>	\$ <u>371,711.00</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
PART III**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Seven Plan Years

	<b>Measurement Date Ending June 30,</b>			
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
School District's Proportion of the Net Pension Liability	0.0151997670%	0.0154395862%	0.0160188999%	0.0144700660%
School District's Proportionate Share of the Net Pension Liability	\$ 2,738,805.00	\$ 3,039,978.00	\$ 3,728,944.00	\$ 4,285,619.00
School District's Covered Payroll (Plan Measurement Period)	\$ 1,148,688.00	\$ 1,158,484.00	\$ 1,140,544.00	\$ 1,106,244.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	238.43%	262.41%	326.94%	387.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
School District's Proportion of the Net Pension Liability	0.0145286006%	0.0160969580%	1.6438401800%	
School District's Proportionate Share of the Net Pension Liability	\$ 3,261,380.00	\$ 3,013,791.00	\$ 3,141,705.00	
School District's Covered Payroll (Plan Measurement Period)	\$ 1,078,628.00	\$ 1,194,860.00	\$ 1,213,828.00	
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	302.36%	252.23%	258.83%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%	

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**

Required Supplementary Information  
Schedule of the School District's Contributions  
Public Employees' Retirement System (PERS)  
Last Seven Fiscal Years

	<b>Fiscal Year Ended June 30,</b>			
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Contractually Required Contribution	\$ 164,852.00	\$ 147,853.00	\$ 153,574.00	\$ 148,398.00
Contributions in Relation to the Contractually Required Contribution	<u>(164,852.00)</u>	<u>(147,853.00)</u>	<u>(153,574.00)</u>	<u>(148,398.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 1,091,454.00	\$ 1,090,486.00	\$ 1,063,641.00	\$ 1,079,644.00
Contributions as a Percentage of School District's Covered Payroll	15.10%	13.56%	14.44%	13.75%
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	
Contractually Required Contribution	\$ 128,550.00	\$ 124,907.00	\$ 132,701.00	
Contributions in Relation to the Contractually Required Contribution	<u>(128,550.00)</u>	<u>(124,907.00)</u>	<u>(132,701.00)</u>	
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
School District's Covered Payroll (Fiscal Year)	\$ 1,026,998.00	\$ 1,024,255.00	\$ 1,013,312.00	
Contributions as a Percentage of School District's Covered Payroll	12.52%	12.19%	13.10%	

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Seven Plan Years

	<b>Measurement Date Ending June 30,</b>			
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>23,191,708.00</u>	<u>23,796,431.00</u>	<u>25,263,725.00</u>	<u>28,743,185.00</u>
	<u><u>\$ 23,191,708.00</u></u>	<u><u>\$ 23,796,431.00</u></u>	<u><u>\$ 25,263,725.00</u></u>	<u><u>\$ 28,743,185.00</u></u>
School District's Covered Payroll (Plan Measurement Period)	\$ 4,453,144.00	\$ 4,644,176.00	\$ 4,554,444.00	\$ 4,603,572.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	520.79%	512.39%	554.70%	624.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.95%	26.49%	25.41%	22.33%
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	
	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>23,507,918.00</u>	<u>19,308,404.00</u>	<u>18,698,603.00</u>	
	<u><u>\$ 23,507,918.00</u></u>	<u><u>\$ 19,308,404.00</u></u>	<u><u>\$ 18,698,603.00</u></u>	
School District's Covered Payroll (Plan Measurement Period)	\$ 4,300,536.00	\$ 4,308,556.00	\$ 4,158,024.00	
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	0.00%	0.00%	0.00%	
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	546.63%	448.14%	449.70%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.71%	33.64%	33.76%	

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Required Supplementary Information  
Schedule of School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

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This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2020

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

Changes in Benefit Terms

None

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 4.68% 2014, 4.13% 2015, 3.22% 2016, 4.25% 2017, 4.86% 2018 and 5.60% 2019.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2015 - June 30, 2018 experience study. For pre-retirement mortality, the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males, and a 100.3% adjustment for females, and with improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2012- June 30, 2015 experience study.

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

Changes in Benefit Terms

None

Changes in Assumptions

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 experience study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with a 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

For 2015, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART IV**



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios  
 Last Three Plan Years

	<u>Measurement Date Ending June 30,</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</b>			
Changes for the Year:			
Service Cost	\$ 772,993.00	\$ 866,326.00	\$ 1,047,551.00
Interest Cost	917,924.00	964,979.00	838,600.00
Difference Between Expected and Actual Experience	(3,795,656.00)	(1,695,092.00)	
Changes in Assumptions	310,706.00	(2,668,441.00)	(3,580,873.00)
Gross Benefit Payments	(639,684.00)	(621,787.00)	(611,153.00)
Member Contributions	18,962.00	21,490.00	22,504.00
Net Change in Total Non-Employer OPEB Liability	(2,414,755.00)	(3,132,525.00)	(2,283,371.00)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	<u>23,253,377.00</u>	<u>26,385,902.00</u>	<u>28,669,273.00</u>
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 20,838,622.00</u>	<u>\$ 23,253,377.00</u>	<u>\$ 26,385,902.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 5,017,799.00</u>	<u>\$ 4,940,873.00</u>	<u>\$ 4,993,011.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	415.29%	470.63%	528.46%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part IV  
For the Fiscal Year Ended June 30, 2020

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Changes of Benefit Terms - None

Differences Between Expected and Actual Experience - The decrease in liability from June 30, 2017 to June 30, 2018 is due to changes in the census, claims and premiums experience. The decrease in liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premiums experience.

Changes of Assumptions - The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018; and a decrease in the assumed health care cost trend and excise tax assumptions. The decrease in the liability from June 30, 2018 to June 30, 2019 is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART V**

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ending June 30, 2020

	Title I - A	Title II - A	Title IV - A	I.D.E.A. Part B	I.D.E.A. Part B Pre-School	Handicapped	Non Public Nursing	Security	Total Carried Forward
<b>REVENUES:</b>									
State Sources						\$ 35,319.00	\$ 6,499.00	\$ 10,050.00	\$ 51,868.00
Federal Sources	\$ 100,350.00	\$ 16,991.00	\$ 10,000.00	\$ 156,984.00	\$ 9,907.00				294,232.00
Local Sources									-
<b>Total Revenues</b>	<u>100,350.00</u>	<u>16,991.00</u>	<u>10,000.00</u>	<u>156,984.00</u>	<u>9,907.00</u>	<u>35,319.00</u>	<u>6,499.00</u>	<u>10,050.00</u>	<u>346,100.00</u>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of Teachers	43,839.00				7,338.00				51,177.00
Purchased Technical Services	19,880.00								19,880.00
Tuition				142,862.00		35,319.00			178,181.00
General Supplies	5,103.00	2,471.00	10,000.00		1.00				17,575.00
<b>Total Instruction</b>	<u>68,822.00</u>	<u>2,471.00</u>	<u>10,000.00</u>	<u>142,862.00</u>	<u>7,339.00</u>	<u>35,319.00</u>	<u>-</u>	<u>-</u>	<u>266,813.00</u>
Support Services:									
Employee Benefits	13,928.00				2,568.00				16,496.00
Purchased Educational Services							6,499.00		6,499.00
Purchased Technical Services	17,600.00	14,520.00		14,122.00					46,242.00
General Supplies								10,050.00	10,050.00
<b>Total Support Services</b>	<u>31,528.00</u>	<u>14,520.00</u>	<u>-</u>	<u>14,122.00</u>	<u>2,568.00</u>	<u>-</u>	<u>6,499.00</u>	<u>10,050.00</u>	<u>79,287.00</u>
<b>Total Expenditures</b>	<u>\$ 100,350.00</u>	<u>\$ 16,991.00</u>	<u>\$ 10,000.00</u>	<u>\$ 156,984.00</u>	<u>\$ 9,907.00</u>	<u>\$ 35,319.00</u>	<u>\$ 6,499.00</u>	<u>\$ 10,050.00</u>	<u>\$ 346,100.00</u>

(Continued)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ending June 30, 2020

	Total Brought Forward	Basic Skills	Non Public Textbooks	Non Public Technology	Italian Heritage Grant	Totals
<b>REVENUES:</b>						
State Sources	\$ 51,868.00	\$ 14,780.00	\$ 3,479.00	\$ 2,352.00		\$ 72,479.00
Federal Sources	294,232.00					294,232.00
Local Sources					\$ 5,000.00	5,000.00
<b>Total Revenues</b>	<b>346,100.00</b>	<b>14,780.00</b>	<b>3,479.00</b>	<b>2,352.00</b>	<b>5,000.00</b>	<b>371,711.00</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	51,177.00				5,000.00	56,177.00
Purchased Technical Services	19,880.00					19,880.00
Tuition	178,181.00	14,780.00				192,961.00
General Supplies	17,575.00		3,479.00	2,352.00		23,406.00
<b>Total Instruction</b>	<b>266,813.00</b>	<b>14,780.00</b>	<b>3,479.00</b>	<b>2,352.00</b>	<b>5,000.00</b>	<b>292,424.00</b>
Support Services:						
Other Employee Benefits	16,496.00					16,496.00
Purchased Educational Services	6,499.00					6,499.00
Purchased Technical Services	46,242.00					46,242.00
General Supplies	10,050.00					10,050.00
<b>Total Support Services</b>	<b>79,287.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,287.00</b>
<b>Total Expenditures</b>	<b>\$ 346,100.00</b>	<b>\$ 14,780.00</b>	<b>\$ 3,479.00</b>	<b>\$ 2,352.00</b>	<b>\$ 5,000.00</b>	<b>\$ 371,711.00</b>

**PROPRIETARY FUNDS**



**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Proprietary Fund  
 Statement of Net Position  
 June 30, 2020

	<u>Business-Type            Activities -            Enterprise Funds</u>  <u>Food            Service</u>
<b>ASSETS:</b>	
Current Assets:	
Accounts Receivable:	
State	\$ 20.90
Federal	2,166.00
Other	12.50
Inventory	<u>7,454.04</u>
Total Current Assets	<u>9,653.44</u>
Noncurrent Assets:	
Furniture, Fixtures and Equipment	189,492.00
Less Accumulated Depreciation	<u>(167,203.00)</u>
Total Noncurrent Assets	<u>22,289.00</u>
Total Assets	<u>31,942.44</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Cash Overdraft	70,103.53
Unearned Revenue	<u>3,766.81</u>
Total Current Liabilities	<u>73,870.34</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	22,289.00
Unrestricted (Deficit)	<u>(64,216.90)</u>
Total Net Position (Deficit)	<u>\$ (41,927.90)</u>

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Propriety Fund  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ending June 30, 2020

	<u>Business-Type Activities - Enterprise Funds</u>  <u>Food Service</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 34,408.45
Daily Sales - Non-Reimbursable Programs	19,115.85
Other Revenue	199.20
	53,723.50
<b>OPERATING EXPENSES:</b>	
Cost of Goods Sold - Reimbursable Programs	57,184.71
Cost of Goods Sold - Non-Reimbursable Programs	6,494.95
Purchased Professional Services	105,924.13
Other Purchased Services	8,889.58
General Supplies	6,167.13
Miscellaneous	247.17
Depreciation	6,421.00
	191,328.67
Total Operating Expenses	191,328.67
Operating Loss	(137,605.17)
<b>NONOPERATING REVENUES (EXPENSES):</b>	
State Sources:	
State School Lunch Program	1,332.92
Federal Sources:	
National School Lunch Program	57,992.52
National School Breakfast Program	31,544.09
Food Distribution Program	15,418.41
	106,287.94
Total Non Operating Revenues (Expenses)	106,287.94
Change in Net Position	(31,317.23)
Net Position (Deficit) -- July 1	(10,610.67)
Net Position (Deficit) -- June 30	\$ (41,927.90)

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Propriety Fund  
Statement of Cash Flows  
For the Fiscal Year Ending June 30, 2020

	<u>Business-Type Activities - Enterprise Funds</u>
	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 54,701.48
Payments to Suppliers	<u>(188,886.07)</u>
Net Cash Used for Operating Activities	<u>(134,184.59)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State Sources	1,392.47
Federal Sources	<u>107,838.93</u>
Net Cash Provided by Non-Capital Financing Activities	<u>109,231.40</u>
Net Increase in Cash and Cash Equivalents	(24,953.19)
Cash and Cash Equivalents -- July 1	<u>(45,150.34)</u>
Cash and Cash Equivalents -- June 30	<u>\$ (70,103.53)</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating Loss	\$ (137,605.17)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	6,421.00
Decrease in Inventory	(3,978.40)
Increase in Unearned Revenue	<u>977.98</u>
Total Adjustments	<u>3,420.58</u>
Net Cash Used for Operating Activities	<u>\$ (134,184.59)</u>

**FIDUCIARY FUNDS**

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Position  
 June 30, 2020

	Agency Funds		
	<u>Student Activity</u>	<u>Payroll</u>	<u>Total</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ <u>19,459.60</u>	\$ <u>2.51</u>	\$ <u>19,462.11</u>
Total Assets	\$ <u><u>19,459.60</u></u>	\$ <u><u>2.51</u></u>	\$ <u><u>19,462.11</u></u>
<b>LIABILITIES:</b>			
Payable to Student Groups	\$ 19,459.60		\$ 19,459.60
Payroll Deductions and Withholdings	<u>                    </u>	\$ <u>2.51</u>	<u>2.51</u>
Total Liabilities	\$ <u><u>19,459.60</u></u>	\$ <u><u>2.51</u></u>	\$ <u><u>19,462.11</u></u>

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ending June 30, 2020

	<u>Balance</u> <u>June 30, 2019</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2020</u>
Elementary and Middle Schools:				
Grade 8	\$ 4,598.43	\$ 3,429.50	\$ 2,672.16	\$ 5,355.77
Class Gift	414.02			414.02
Graduation Award	225.00	2,675.00	2,675.00	225.00
NMS PTA	496.15			496.15
Miscellaneous	3,488.80	1,885.02	1,780.00	3,593.82
Silvestro	275.00		50.00	225.00
Rizzo	975.00		50.00	925.00
Hutchinson	175.00	250.00	25.00	400.00
L. Muraca	675.00	925.00	200.00	1,400.00
Pep Club	1,631.15	111.00	28.95	1,713.20
Music	2,014.27			2,014.27
BSS	4,278.40	499.97	2,081.00	2,697.37
	<u>4,278.40</u>	<u>499.97</u>	<u>2,081.00</u>	<u>2,697.37</u>
Total	\$ <u>19,246.22</u>	\$ <u>9,775.49</u>	\$ <u>9,562.11</u>	\$ <u>19,459.60</u>

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
 Fiduciary Funds  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ending June 30, 2020

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	<u>Balance June 30, 2019</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2020</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ _____	\$ 5,734,419.41	\$ 5,734,416.90	\$ 2.51
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 5,734,419.41</b>	<b>\$ 5,734,416.90</b>	<b>\$ 2.51</b>
Payroll Deductions and Withholdings	\$ _____	\$ 2,608,626.04	\$ 2,608,623.53	\$ 2.51
Net Payroll	_____	3,125,793.37	3,125,793.37	_____
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 5,734,419.41</b>	<b>\$ 5,734,416.90</b>	<b>\$ 2.51</b>

**STATISTICAL SECTION**



## **Financial Trends Information**

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

**Township of Greenwich School District**  
 Net Position by Component  
 Last Ten Fiscal Years (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 1,626,650.01	\$ 1,661,876.48	\$ 1,742,412.27	\$ 1,588,669.00	\$ 1,704,250.00	\$ 2,121,157.76	\$ 2,252,288.31	\$ 2,412,452.02	\$ 2,571,392.80	\$ 2,778,382.62
Restricted	1,763,285.75	1,706,770.40	1,710,156.98	1,280,479.39	1,351,325.01	1,930,635.17	2,057,170.94	1,976,916.30	1,706,396.44	1,050,043.26
Unrestricted (Deficit)	<u>(2,974,695.45)</u>	<u>(3,025,357.52)</u>		<u>(2,865,110.49)</u>	<u>(2,973,997.24)</u>	<u>(2,941,771.72)</u>	<u>204,845.28</u>	<u>175,902.90</u>	<u>193,430.46</u>	<u>52,491.89</u>
<b>Total Governmental Activities Net Position</b>	<u>\$ 415,240.31</u>	<u>\$ 343,289.36</u>	<u>\$ 3,452,569.25</u>	<u>\$ 4,037.90</u>	<u>\$ 81,577.77</u>	<u>\$ 1,110,021.21</u>	<u>\$ 4,514,304.53</u>	<u>\$ 4,565,271.22</u>	<u>\$ 4,471,219.70</u>	<u>\$ 3,880,917.77</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 22,289.00	\$ 28,710.00	\$ 35,131.00	\$ 41,552.00	\$ 47,973.00	\$ 24,466.02	\$ 10,428.88	\$ 9,161.81	\$ 11,969.08	\$ 16,647.35
Unrestricted (Deficit)	<u>(64,216.90)</u>	<u>(39,320.67)</u>	<u>(16,756.03)</u>	<u>204.61</u>	<u>5,360.04</u>	<u>5,126.17</u>	<u>694.22</u>	<u>(20,590.17)</u>	<u>(11,313.93)</u>	<u>8,185.30</u>
<b>Total Business-type Activities Net Position</b>	<u>\$ (41,927.90)</u>	<u>\$ (10,610.67)</u>	<u>\$ 18,374.97</u>	<u>\$ 41,756.61</u>	<u>\$ 53,333.04</u>	<u>\$ 29,592.19</u>	<u>\$ 11,123.10</u>	<u>\$ (11,428.36)</u>	<u>\$ 655.15</u>	<u>\$ 24,832.65</u>
<b>Government-wide</b>										
Net Investment in Capital Assets	\$ 1,648,939.01	\$ 1,690,586.48	\$ 1,777,543.27	\$ 1,630,221.00	\$ 1,752,223.00	\$ 2,145,623.78	\$ 2,262,717.19	\$ 2,421,613.83	\$ 2,583,361.88	\$ 2,795,029.97
Restricted	1,763,285.75	1,706,770.40	1,710,156.98	1,280,479.39	1,351,325.01	1,930,635.17	2,057,170.94	1,976,916.30	1,706,396.44	1,050,043.26
Unrestricted (Deficit)	<u>(3,038,912.35)</u>	<u>(3,064,678.19)</u>	<u>(3,076,681.59)</u>	<u>(2,864,905.88)</u>	<u>(2,968,637.20)</u>	<u>(2,936,645.55)</u>	<u>205,539.50</u>	<u>155,312.73</u>	<u>182,116.53</u>	<u>60,677.19</u>
<b>Total Government-wide Net Position</b>	<u>\$ 373,312.41</u>	<u>\$ 332,678.69</u>	<u>\$ 411,018.66</u>	<u>\$ 45,794.51</u>	<u>\$ 134,910.81</u>	<u>\$ 1,139,613.40</u>	<u>\$ 4,525,427.63</u>	<u>\$ 4,553,842.86</u>	<u>\$ 4,471,874.85</u>	<u>\$ 3,905,750.42</u>

Source: District Records

**NOTES:**  
 (1) Source: CAFR Exhibit A-1  
 (2) For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

**Township of Greenwich School District**  
 Changes in Net Position  
 Last Ten Fiscal Years (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Net Expenses</b>										
Governmental Activities										
Instruction										
Regular	\$ 2,851,759.00	\$ 2,673,539.10	\$ 2,794,604.54	\$ 2,883,798.58	\$ 3,044,884.18	\$ 2,926,615.18	\$ 2,814,393.12	\$ 2,589,561.26	\$ 2,775,484.08	\$ 2,714,020.21
Special Education	928,938.00	1,124,104.61	1,061,673.43	863,590.73	1,029,439.58	1,012,238.35	1,018,773.43	1,083,654.26	1,071,386.87	1,051,797.69
Other Special Education	26,368.00	115,116.94	129,537.23	117,768.52	133,305.21	131,098.70	125,970.77	118,105.00	109,245.57	134,194.11
Other Instruction			1,024.00	924.00	1,013.50	1,571.89	2,260.50	1,844.00	2,660.00	1,957.00
School Sponsored Co-curricular Activities	13,779.00	16,420.86	17,673.56	16,924.63	14,140.00	13,611.30	12,733.57	12,674.09	20,096.95	29,557.82
Support Services:										
Tuition	2,029,295.00	2,063,443.04	2,177,616.58	2,368,282.61	2,322,603.74	2,215,229.60	2,116,428.30	2,128,543.43	2,427,870.74	2,189,500.78
Student & Instruction Related Services	1,055,081.00	1,154,067.62	1,125,387.17	1,217,604.41	1,417,071.82	1,312,204.80	1,247,545.29	1,149,806.92	1,186,648.79	1,174,227.52
General Administrative Services	510,283.47	434,312.93	337,593.19	331,218.31	353,671.56	466,576.97	484,204.82	429,404.95	552,104.38	316,063.45
School Administrative Services	183,455.00	172,916.25	170,322.41	166,403.75	161,114.94	201,231.20	201,025.52	192,831.15	159,580.27	155,309.41
Central Services	213,155.00	213,034.86	220,366.96	207,917.48	207,744.36	191,261.46	187,360.65	194,326.32	214,491.53	211,185.21
Plant Operations and Maintenance	1,846,162.00	1,564,619.64	979,696.18	962,712.35	1,005,515.72	1,053,954.96	1,016,898.20	919,470.18	963,031.37	930,356.22
Pupil Transportation	661,895.00	679,357.11	649,382.22	807,383.65	692,946.86	564,718.84	595,637.94	640,965.27	682,971.38	674,217.69
Unallocated Benefits	3,658,219.17	4,366,776.34	5,315,918.85	4,687,695.71	3,815,823.80	3,324,918.07	2,287,958.38	2,487,755.42	2,329,846.51	2,532,870.74
Transfer to Cover School Deficit - Food Service					10,000.00	27,946.47				
Special Schools	11,618.00	9,975.00	17,614.50	17,917.50			716.00		2,032.50	750.00
Support Services:	79,287.00	78,877.59	80,444.62							
Capital Outlay						2,097.00	2,097.00	5,209.00	6.00	979.00
Total Governmental Activities Expenses	<u>14,069,294.64</u>	<u>14,666,561.89</u>	<u>15,078,855.44</u>	<u>14,650,142.23</u>	<u>14,209,275.27</u>	<u>13,445,274.79</u>	<u>12,114,003.49</u>	<u>11,954,151.25</u>	<u>12,497,456.94</u>	<u>12,116,986.85</u>
Business-type Activities:										
Food Service	<u>191,328.67</u>	<u>225,585.62</u>	<u>228,557.50</u>	<u>220,234.11</u>	<u>239,446.47</u>	<u>214,202.56</u>	<u>200,367.32</u>	<u>218,226.55</u>	<u>213,065.90</u>	<u>205,131.87</u>
Total Business-type Activities Expense	<u>191,328.67</u>	<u>225,585.62</u>	<u>228,557.50</u>	<u>220,234.11</u>	<u>239,446.47</u>	<u>214,202.56</u>	<u>200,367.32</u>	<u>218,226.55</u>	<u>213,065.90</u>	<u>205,131.87</u>
Total Government Expenses	<u>\$ 14,260,623.31</u>	<u>\$ 14,892,147.51</u>	<u>\$ 15,307,412.94</u>	<u>\$ 14,870,376.34</u>	<u>\$ 14,448,721.74</u>	<u>\$ 13,659,477.35</u>	<u>\$ 12,314,370.81</u>	<u>\$ 12,172,377.80</u>	<u>\$ 12,710,522.84</u>	<u>\$ 12,322,118.72</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:								\$ 35,297.15	\$ 117,309.00	\$ 127,229.56
Operating Grants and Contributions	\$ 2,435,800.51	\$ 3,014,415.97	\$ 3,933,233.11	\$ 3,144,081.10	\$ 2,455,801.53	\$ 2,025,301.33	\$ 1,096,234.65	\$ 1,151,682.83	\$ 1,054,190.88	\$ 983,261.52
Total Governmental Activities Program Revenues	<u>2,435,800.51</u>	<u>3,014,415.97</u>	<u>3,933,233.11</u>	<u>3,144,081.10</u>	<u>2,455,801.53</u>	<u>2,025,301.33</u>	<u>1,096,234.65</u>	<u>1,186,979.98</u>	<u>1,171,499.88</u>	<u>1,110,491.08</u>
Business-type activities:										
Charges for services										
Food Service	53,723.50	75,497.54	73,916.96	78,550.74	92,707.23	86,357.79	85,372.71	92,458.01	101,913.47	111,227.87
Operating Grants and Contributions	106,287.94	121,102.44	131,258.90	130,106.43	130,547.04	118,367.39	104,572.45	113,685.03	86,974.93	73,989.50
Total Business-type Activities Program Revenues	<u>160,011.44</u>	<u>196,599.98</u>	<u>205,175.86</u>	<u>208,657.17</u>	<u>223,254.27</u>	<u>204,725.18</u>	<u>189,945.16</u>	<u>206,143.04</u>	<u>188,888.40</u>	<u>185,217.37</u>
Total Government Program Revenues	<u>\$ 2,595,811.95</u>	<u>\$ 3,211,015.95</u>	<u>\$ 4,138,408.97</u>	<u>\$ 3,352,738.27</u>	<u>\$ 2,679,055.80</u>	<u>\$ 2,230,026.51</u>	<u>\$ 1,286,179.81</u>	<u>\$ 1,393,123.02</u>	<u>\$ 1,360,388.28</u>	<u>\$ 1,295,708.45</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (11,633,494.13)	\$ (11,652,145.92)	\$ (11,145,622.33)	\$ (11,506,061.13)	\$ (11,753,473.74)	\$ (11,419,973.46)	\$ (11,017,768.84)	\$ (10,767,171.27)	\$ (11,325,957.06)	\$ (11,006,495.77)
Business-type Activities	<u>(31,317.23)</u>	<u>(28,985.64)</u>	<u>(23,381.64)</u>	<u>(11,576.94)</u>	<u>(16,192.20)</u>	<u>(9,477.38)</u>	<u>(10,422.16)</u>	<u>(12,083.51)</u>	<u>(24,177.50)</u>	<u>(19,914.50)</u>
Total Government-wide Net Expense	<u>\$ (11,664,811.36)</u>	<u>\$ (11,681,131.56)</u>	<u>\$ (11,169,003.97)</u>	<u>\$ (11,517,638.07)</u>	<u>\$ (11,769,665.94)</u>	<u>\$ (11,429,450.84)</u>	<u>\$ (11,028,191.00)</u>	<u>\$ (10,779,254.78)</u>	<u>\$ (11,350,134.56)</u>	<u>\$ (11,026,410.27)</u>

**Township of Greenwich School District**  
 Changes in Net Position  
 Last Ten Fiscal Years (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Net Property Taxes Levied for General Purposes	\$ 10,290,673.00	\$ 10,290,673.00	\$ 10,088,895.00	\$ 9,891,074.00	\$ 9,697,131.00	\$ 9,757,131.00	\$ 9,565,815.00	\$ 9,447,453.00	\$ 9,965,604.00	\$ 9,770,201.00
Unrestricted Grants and Contributions	1,157,181.00	1,203,718.00	1,246,113.81	1,343,898.09	1,246,679.61	1,248,801.76	1,178,104.49	1,155,499.34	1,323,388.28	1,050,200.96
Tuition	63,109.00	67,436.00	168,232.78	48,290.83	125,489.05	118,173.09	206,400.00	217,680.00	256,295.00	215,231.16
Miscellaneous Income	194,482.08	38,867.59	30,986.53	15,813.34	25,483.57	33,289.29	49,456.28	40,590.45	344,871.71	55,119.01
Transfers							(32,973.62)			(11,402.21)
Other									26,100.00	(39,259.86)
Special Item										
Adjustment to OPEB Liability				129,445.00						
<b>Total Governmental Activities</b>	<u>11,705,445.08</u>	<u>11,600,694.59</u>	<u>11,534,228.12</u>	<u>11,428,521.26</u>	<u>11,094,783.23</u>	<u>11,157,395.14</u>	<u>10,966,802.15</u>	<u>10,861,222.79</u>	<u>11,916,258.99</u>	<u>11,040,090.06</u>
Business-type Activities:										
Miscellaneous Income				0.51	5.07					
Other										(503.35)
Transfers					10,000.00	27,946.47	32,973.62			11,402.21
<b>Total Business-type Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.51</u>	<u>10,005.07</u>	<u>27,946.47</u>	<u>32,973.62</u>	<u>-</u>	<u>-</u>	<u>10,898.86</u>
<b>Total Government-wide</b>	<u>\$ 11,705,445.08</u>	<u>\$ 11,600,694.59</u>	<u>\$ 11,534,228.12</u>	<u>\$ 11,428,521.77</u>	<u>\$ 11,104,788.30</u>	<u>\$ 11,185,341.61</u>	<u>\$ 10,999,775.77</u>	<u>\$ 10,861,222.79</u>	<u>\$ 11,916,258.99</u>	<u>\$ 11,050,988.92</u>
<b>Change in Net Position</b>										
Governmental Activities	\$ 71,950.95	\$ (51,451.33)	\$ 388,605.79	\$ (77,539.87)	\$ (658,690.51)	\$ (262,578.32)	\$ (50,966.69)	\$ 94,051.52	\$ 590,301.93	\$ 33,594.29
Business-type Activities	<u>(31,317.23)</u>	<u>(28,985.64)</u>	<u>(23,381.64)</u>	<u>(11,576.43)</u>	<u>(6,187.13)</u>	<u>18,469.09</u>	<u>22,551.46</u>	<u>(12,083.51)</u>	<u>(24,177.50)</u>	<u>(9,015.64)</u>
<b>Total Government</b>	<u>\$ 40,633.72</u>	<u>\$ (80,436.97)</u>	<u>\$ 365,224.15</u>	<u>\$ (89,116.30)</u>	<u>\$ (664,877.64)</u>	<u>\$ (244,109.23)</u>	<u>\$ (28,415.23)</u>	<u>\$ 81,968.01</u>	<u>\$ 566,124.43</u>	<u>\$ 24,578.65</u>
Source: District Records										

**NOTES:**

- (1) Source: CAFR Exhibit A-2
- (2) For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

**Township of Greenwich School District**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (modified accrual basis of accounting)  
Unaudited

	Fiscal Year Ending June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011(1)</u>
General Fund										
Restricted	\$ 1,763,285.75	\$ 1,706,770.40	\$ 1,710,156.98	\$ 1,280,479.39	\$ 1,340,411.85	\$ 1,930,635.17	\$ 2,057,170.94	\$ 1,976,916.30	\$ 1,706,396.44	\$ 1,050,043.26
Assigned	250,137.27	264,294.27	226,036.33	275,917.88	187,394.63	204,513.67	226,677.38	230,368.83	189,925.55	90,367.25
Unassigned	252,794.00	254,694.00	278,261.00	322,599.00	241,538.00	214,309.00	197,914.00	202,089.00	211,106.00	183,478.00
Total General Fund	<u>\$ 2,266,217.02</u>	<u>\$ 2,225,758.67</u>	<u>\$ 2,214,454.31</u>	<u>\$ 1,878,996.27</u>	<u>\$ 1,769,344.48</u>	<u>\$ 2,349,457.84</u>	<u>\$ 2,481,762.32</u>	<u>\$ 2,409,374.13</u>	<u>\$ 2,107,427.99</u>	<u>\$ 1,323,888.51</u>

Source: District Records

**Township of Greenwich School District**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues</b>										
Local Tax Levy	\$ 10,290,673.00	\$ 10,290,673.00	\$ 10,088,895.00	\$ 9,891,074.00	\$ 9,697,131.00	\$ 9,757,131.00	\$ 9,565,815.00	\$ 9,447,453.00	\$ 9,965,604.00	\$ 9,770,201.00
Tuition Charges	63,109.00	67,436.00	168,232.78	48,290.83	125,489.05	118,173.09	206,400.00	217,680.00	256,295.00	215,231.16
Interest	5,662.00	4,038.47	4,004.74	2,605.12			14,214.66	4,518.84	2,563.24	109.51
Miscellaneous	193,820.08	44,448.55	45,604.67	19,704.41	38,169.94	53,568.40	44,091.31	41,879.92	352,371.47	67,913.50
State Sources	2,575,360.51	2,624,680.54	2,490,042.43	2,415,217.18	2,186,854.44	2,107,773.28	1,931,218.92	2,004,885.34	2,020,336.82	1,673,071.17
Federal Sources	294,232.00	302,456.00	351,529.61	328,081.82	360,108.33	308,159.70	334,270.53	296,488.52	347,179.34	347,487.31
<b>Total Revenue</b>	<b>13,422,856.59</b>	<b>13,333,732.56</b>	<b>13,148,309.23</b>	<b>12,704,973.36</b>	<b>12,407,752.76</b>	<b>12,344,805.47</b>	<b>12,096,010.42</b>	<b>12,012,905.62</b>	<b>12,944,349.87</b>	<b>12,074,013.65</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	2,827,351.00	2,649,131.10	2,770,196.54	2,859,390.58	3,020,476.18	2,922,128.73	2,809,731.67	2,584,656.97	2,758,196.10	2,710,789.89
Special Education Instruction	928,938.00	1,124,104.61	1,061,673.43	863,590.73	1,029,439.58	1,012,238.35	1,018,773.43	1,048,357.11	954,077.87	935,604.50
Other Special Instruction	26,368.00	115,116.94	129,537.23	117,768.52	133,305.21	131,098.70	125,970.77	118,105.00	109,245.57	134,194.11
Other Instruction			1,024.00	924.00	1,013.50	1,571.89	2,260.50	1,844.00	2,660.00	1,957.00
School Sponsored Co-curricular Activities	13,779.00	16,420.86	17,673.56	16,924.63	14,140.00	13,611.30	12,733.57	12,674.09	20,096.95	29,557.82
Support Services:										
Tuition	2,029,295.00	2,063,443.04	2,177,616.58	2,368,282.61	2,322,603.74	2,215,229.60	2,116,428.30	2,128,543.43	2,427,870.74	2,189,500.78
Student & Instruction Related Services	1,055,081.00	1,216,984.33	1,400,138.17	1,137,842.03	1,351,796.03	1,240,547.05	1,194,964.60	1,084,436.61	1,114,344.77	1,109,830.24
General Administrative Services	400,715.00	329,444.43	257,266.46	256,318.31	278,771.56	324,474.84	336,056.48	280,757.36	349,765.51	218,552.30
School Administrative Services	176,170.00	165,631.25	163,037.41	159,118.75	153,829.94	195,574.00	195,253.32	186,943.95	153,596.40	148,647.98
Central Services	213,155.00	204,046.86	220,366.96	207,917.48	207,744.36	191,261.46	187,360.65	194,326.32	214,491.53	200,148.84
Plant Operations and Maintenance	1,835,077.00	1,564,619.64	968,611.18	951,627.35	994,430.72	1,048,112.93	1,012,851.48	915,274.48	958,781.98	927,373.30
Pupil Transportation	661,895.00	679,357.11	649,382.22	807,383.65	692,946.86	564,718.84	595,637.94	640,965.27	666,476.17	645,353.95
Unallocated Employee Benefits	1,646,271.73	1,720,340.31	1,689,132.11	1,689,963.40	1,719,363.60	1,684,424.66	1,645,930.68	1,654,147.68	1,693,419.35	1,837,671.91
Transfer to Cover School Deficit - Food Service					10,000.00	27,946.47				
On-Behalf Pension Contributions	1,089,588.00	1,103,663.00	929,228.00	773,055.00	640,869.00	520,300.00	403,413.00	509,385.00	375,459.00	265,499.00
Reimbursed TPAF Social Security	270,689.51	281,272.13	277,811.22	285,437.14	280,493.26	283,159.19	275,423.46	275,268.90	274,720.43	275,062.55
Other Support Services	79,287.00	78,877.59	80,444.62	79,762.38	65,275.79	71,657.75	52,580.69	70,064.31	72,304.02	64,397.28
Capital Outlay	117,120.00	2,097.00	2,097.00	2,097.00	71,367.30	29,054.26	4,562.00	5,209.00	13,271.50	103,832.00
Special Schools	11,618.00	9,975.00	17,614.50	17,917.50			716.00		2,032.50	750.00
<b>Total Expenditures</b>	<b>13,382,398.24</b>	<b>13,322,428.20</b>	<b>12,812,851.19</b>	<b>12,595,321.06</b>	<b>12,987,866.63</b>	<b>12,477,110.02</b>	<b>11,990,648.54</b>	<b>11,710,959.48</b>	<b>12,160,810.39</b>	<b>11,798,723.45</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,458.35	11,304.36	335,458.04	109,652.30	(580,113.87)	(132,304.55)	105,361.88	301,946.14	783,539.48	275,290.20
<b>Other Financing Sources (Uses)</b>										
Transfers In/(Out)							(32,973.62)			(11,402.21)
Prior Period Adjustment(s)										(227,906.36)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(32,973.62)</b>	<b>-</b>	<b>-</b>	<b>(239,308.57)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 40,458.35</b>	<b>\$ 11,304.36</b>	<b>\$ 335,458.04</b>	<b>\$ 109,652.30</b>	<b>\$ (580,113.87)</b>	<b>\$ (132,304.55)</b>	<b>\$ 72,388.26</b>	<b>\$ 301,946.14</b>	<b>\$ 783,539.48</b>	<b>\$ 35,981.63</b>

Source: District Records

**Greenwich Township School District**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Refunds										
Miscellaneous	\$ 188,820.08	\$ 34,438.49	\$ 21,433.77	\$ (3,679.23)	\$ 18,556.56	\$ 33,289.29	\$ 47,329.27	\$ 38,090.45	\$ 342,308.47	\$ 55,009.50
Local Grants	5,000.00	9,619.43	18,622.88							
Prior Year Refunds		390.63	5,548.02	16,887.45	6,927.01					
	<u>\$ 193,820.08</u>	<u>\$ 44,448.55</u>	<u>\$ 45,604.67</u>	<u>\$ 13,208.22</u>	<u>\$ 25,483.57</u>	<u>\$ 33,289.29</u>	<u>\$ 47,329.27</u>	<u>\$ 38,090.45</u>	<u>\$ 342,308.47</u>	<u>\$ 55,009.50</u>

Source: District Records

## **Revenue Capacity Information**

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



**Township of Greenwich School District**  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended <u>June 30,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Req.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Public Utilities (1)</u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate (2)</u>
2020	\$ 10,358,400.00	\$ 298,731,700.00	\$ 1,013,900.00	\$ 413,600.00	\$ 45,714,200.00	\$ 322,532,500.00	\$ 420,000.00	\$ 679,184,300.00	\$ 41,056,831.00	\$ 720,241,131.00	\$ 793,129,756.00	1.428
2019	10,094,600.00	298,281,500.00	1,189,900.00	416,800.00	45,623,300.00	323,309,600.00	420,000.00	679,335,700.00	40,195,196.00	719,530,896.00	734,299,173.00	1.430
2018	10,115,500.00	298,884,700.00	1,189,900.00	416,800.00	45,623,300.00	330,634,600.00	420,000.00	687,284,800.00	66,840,406.00	754,125,206.00	777,248,809.00	1.364
2017	10,206,400.00	299,135,100.00	1,051,300.00	443,900.00	43,938,900.00	343,565,000.00	420,000.00	698,760,600.00	55,656,866.00	754,417,466.00	776,788,989.00	1.324
2016	10,240,400.00	298,420,000.00	1,366,200.00	441,300.00	48,288,100.00	339,758,934.00	420,000.00	698,934,934.00	63,999,734.00	762,934,668.00	793,731,449.00	1.283
2015	10,947,500.00	297,820,800.00	1,371,300.00	435,500.00	49,198,800.00	317,372,000.00	420,000.00	677,565,900.00	86,905,337.00	764,471,237.00	771,413,962.00	1.272
2014	12,288,100.00	298,207,400.00	1,371,300.00	402,900.00	47,964,100.00	367,441,700.00	635,000.00	728,310,500.00	86,888,487.00	815,198,987.00	883,378,535.00	1.185
2013	12,409,800.00	296,653,700.00	2,215,100.00	436,600.00	49,778,200.00	423,058,700.00	752,100.00	785,304,200.00	87,031,385.00	872,335,585.00	1,043,552,944.00	1.089
2012	7,240,787.00	186,425,250.00	1,388,300.00	465,900.00	26,235,000.00	302,711,964.00	410,300.00	524,877,501.00	44,219,302.00	569,096,803.00	1,120,269,297.00	1.508
2011	7,306,887.00	187,289,550.00	754,000.00	465,900.00	26,517,600.00	311,401,964.00	410,300.00	534,146,201.00	121,564,512.00	655,710,713.00	1,214,054,274.00	1.505

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

GASB Statement 44 requires that the information in this schedule be shown for each "period for which levied" and should be consistent with the periods shown in the schedule of direct and overlapping property tax rates and schedule of property tax levies and collections.

Source: Municipal Tax Assessor

**Township of Greenwich School District**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (rate per \$100 of assessed value)  
 Unaudited

Fiscal Ended June 30,	District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (1)	General Obligation Debt Service (2)	Total Direct School Tax Rate	Township of Greenwich	County of Gloucester	
2020	\$ 1.428	-	\$ 1.428	\$ 1.488	\$ 0.359	\$ 3.275
2019	1.430	-	1.430	1.049	0.798	3.277
2018	1.364	-	1.364	1.049	0.771	3.184
2017	1.324	-	1.324	1.029	0.754	3.107
2016	1.283	-	1.283	1.028	0.762	3.073
2015	1.272	-	1.272	0.979	0.723	2.974
2014	1.185	-	1.185	0.929	0.732	2.846
2013	1.089	-	1.089	0.909	0.790	2.788
2012	1.508	-	1.508	1.327	1.144	3.979
2011	1.505	-	1.505	1.277	1.013	3.795
2010	1.555	-	1.555	1.277	1.050	3.882

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

**Note:** NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any growth adjustments.

Source: Municipal Tax Collector

**Township of Greenwich School District**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
Unaudited

<u>Taxpayer</u>	2020			2011		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Paulsboro Refinery Company LLC	\$ 41,073,831.00	1	5.71%	\$ 331,828,064.00	1	62.12%
Mobil Administrative Services Co.	25,973,800.00	2	3.61%	69,480,000.00	2	13.01%
Delaware River Partners LLC	19,757,200.00	3	2.75%			
E I DuPont De Nemours & Co.				12,721,200.00	3	2.38%
EM Diagnostic Services				12,500,000.00	4	2.34%
NJ Distribution Center LLC	12,252,400.00	4	1.70%	6,805,100.00	5	1.27%
Gibbstown Center Assoc. LP	8,000,000.00	5	1.11%	4,789,900.00	6	0.90%
Air Products	7,200,000.00	6	1.00%	4,000,000.00	7	0.75%
Anpesil Distribution Services				3,310,900.00	8	0.62%
Thayer Distribution	4,000,000.00	7	0.56%			
Hercules Inc.	3,408,000.00	8	0.47%	3,100,651.00	9	0.58%
480 S. Democrat Road LLC	3,029,900.00	9	0.42%			
Star Management LLC	2,100,000.00	10	0.29%	1,482,100.00	10	0.28%
<b>Total</b>	<b>\$ 126,795,131.00</b>		<b>17.62%</b>	<b>\$ 450,017,915.00</b>		<b>84.25%</b>

Source: County Tax Assessor

**Township of Greenwich School District**  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years  
 Unaudited

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Fiscal Year <u>Ended June 30,</u>	School Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		Collections in <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2020	\$ 10,290,673.00	\$ 10,290,673.00	100.00%	-
2019	10,290,673.00	10,290,673.00	100.00%	-
2018	10,088,895.00	10,088,895.00	100.00%	-
2017	9,891,074.00	9,891,074.00	100.00%	-
2016	9,697,131.00	9,697,131.00	100.00%	-
2015	9,757,131.00	9,757,131.00	100.00%	-
2014	9,565,815.00	9,565,815.00	100.00%	-
2013	9,447,453.00	9,447,453.00	100.00%	-
2012	9,965,604.00	9,965,604.00	100.00%	-
2011	9,770,201.00	9,770,201.00	100.00%	-

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

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

## **Debt Capacity Information**

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

**Township of Greenwich School District**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
Unaudited

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Fiscal Year Ended <u>June 30,</u>	<u>Governmental Activities</u>		<u>Total District</u>	Percentage of Personal <u>Income (1)</u>	<u>Per Capita (1)</u>
	General Obligation <u>Bonds</u>	Certificates of <u>Participation</u>			
2020	-	-	-	-	-
2019	-	-	-	-	-
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
2015	-	-	-	-	-
2014	-	-	-	-	-
2013	-	-	-	-	-
2012	-	-	-	-	-
2011	-	-	-	-	-

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

- (1) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: District CAFR Exhibits I-1, I-2

**Township of Greenwich School District**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
Unaudited

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<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>General Bonded Debt Outstanding</u>		<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value of Property</u>	<u>Per Capita (2)</u>
	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>			
2020					
2019					
2018					
2017					
2016					
2015			Not Applicable		
2014					
2013					
2012					
2011					

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

- (1) See Exhibit NJ J-6 for property tax data.
- (2) Population data can be found in Exhibit NJ J-14.

Source: District Records.

**Township of Greenwich School District**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2019  
 Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Township of Greenwich	\$ 16,837,231.00	100.000%	\$ 16,837,231.00
<b>Other debt</b>			
County of Gloucester			
General	224,878,554.00	2.900%	6,521,478.07
Bonds Issued by Other Public Bodes Guarantee by the County			-
Subtotal, overlapping debt			23,358,709.07
<b>Township of Greenwich School District Direct Debt</b>			-
<b>Total direct and overlapping debt</b>			<u>\$ 23,358,709.07</u>

**Sources:** Assessed value data used to estimate applicable percentages provided by County of Gloucester.  
 Debt outstanding provided by applicable governmental unit.

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

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



**Township of Greenwich School District**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized valuation basis	
	2019	\$ 748,084,682.00
	2018	731,659,455.00
	2017	<u>727,420,987.00</u>
	<b>[A]</b>	<u>\$ 2,207,165,124</u>
Average equalized valuation of taxable property	<b>[A/3]</b>	\$ 735,721,708.00
Debt limit ( 4% of average equalization value) (1)	<b>[B]</b>	\$ 29,428,868.32
Total Net Debt Applicable to Limit	<b>[C]</b>	<u>-</u>
Legal Debt Margin	<b>[B-C]</b>	<u>\$ 29,428,868.32</u>

	Fiscal Year									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt limit	\$ 29,428,868	\$ 29,049,888	\$ 28,693,318	\$ 30,648,808	\$ 33,995,078	\$ 28,661,749	\$ 29,982,166	\$ 20,069,872	\$ 29,839,042	\$ 28,549,621
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 29,428,868</u>	<u>\$ 29,049,888</u>	<u>\$ 28,693,318</u>	<u>\$ 30,648,808</u>	<u>\$ 33,995,078</u>	<u>\$ 28,661,749</u>	<u>\$ 29,982,166</u>	<u>\$ 20,069,872</u>	<u>\$ 29,839,042</u>	<u>\$ 28,549,621</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

Source: Abstract of Ratables and District Records CAFR Schedule J-7

## **Demographic and Economic Information**

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**Township of Greenwich School District**  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
Unaudited

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<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2020	Not Available	Not Available	Not Available	Not Available
2019	4,795	Not Available	Not Available	3.8%
2018	4,812	\$ 263,432,940.00	\$ 54,745.00	4.9%
2017	4,846	254,444,076.00	52,506.00	5.2%
2016	4,851	242,579,106.00	50,006.00	5.9%
2015	4,869	237,602,331.00	48,799.00	6.2%
2014	4,868	226,863,404.00	46,603.00	7.7%
2013	4,877	220,289,213.00	45,169.00	8.5%
2012	4,886	219,054,038.00	44,833.00	7.3%
2011	4,897	212,960,736.00	43,488.00	7.1%

**Source:**

- (1) Information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Township of Greenwich School District**  
Principal Employers  
Current Year and Nine Years Ago  
Unaudited

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Amazon	4,500	1	3.15%			
Inspira Medical Center - Woodbury	2,051	3	1.43%			
Underwood Memorial Hospital				1,825	1	0.63%
Rowan University	3,500	2	2.45%	1,300	2	0.45%
Kennedy University Hospital/Jefferson	2,015	4	1.41%	1,200	3	0.42%
Shop Rite	1,300	5	0.91%			
Missa Bay				950	4	0.33%
U.S. Food Service	1,014	6	0.71%	725	5	0.25%
DGI Services				600	6	0.21%
Drugstore.com				450	8	0.16%
Johnson Matthey				437	10	0.15%
Delaware Valley Floral Group				500	7	0.17%
Walmart Turnersville	800	7	0.56%			
Penske	700	8	0.49%			
Heritage's Dairy Stores	520	9	0.36%	450	8	0.16%
United Methodist Community at Pitman	500	10	0.35%			
	<u>16,900</u>		<u>11.81%</u>	<u>8,437</u>		<u>2.93%</u>

**Source:** Gloucester County Department of Economic Development

## **Operating Information**

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

**Township of Greenwich School District**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
 Unaudited

<u>Function/Program</u>	Fiscal Year Ending June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Instruction										
Regular	37	39	34	35	35	28	28	28	34	34
Special education	8	9	13	13	13	11	11	11	13	13
Other special education	7	12	4	4	4	14	14	14	13	9
Other instruction	6	1	11	11	11	7	7	9	6	6
Support Services:										
Student & instruction related services	9	7	8	10	11	9	9	11	11	11
General administrative services	3	3	2	2	2	2	2	2	2	2
School administrative services	3	3	3	3	3	6	6	4	3	3
Business administrative services	4	4	4	4	4	4	4	3	3	3
Plant operations and maintenance	10	10	9	9	9	10	10	10	10	8
Playground Aides	4	4	4	4	4	6	6	6	6	3
<b>Total</b>	<b>91</b>	<b>92</b>	<b>92</b>	<b>95</b>	<b>96</b>	<b>97</b>	<b>97</b>	<b>98</b>	<b>101</b>	<b>97</b>

**Source:** District Personnel Records

**Township of Greenwich School District**  
 Operating Statistics  
 Last Ten Fiscal Years  
 Unaudited

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (2)</u>	<u>Average Daily Enrollment (ADE) (3)</u>	<u>Average Daily Attendance (ADA) (3)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2020	439.0	\$ 13,265,278.24	\$ 30,217.03	-8.14%	52.0	439.6	426.7	10.12%	97.07%
2019	405.0	13,322,428.20	32,894.88	10.41%	48.0	404.2	387.5	-7.76%	95.87%
2018	430.0	12,810,754.19	29,792.45	5.28%	48.0	443.7	420.1	0.00%	94.68%
2017	445.0	12,593,224.06	28,299.38	-0.31%	48.0	443.7	420.1	-4.13%	94.68%
2016	455.0	12,916,499.33	28,387.91	8.78%	48.0	458.8	438.2	-2.38%	95.51%
2015	477.0	12,448,055.76	26,096.55	2.98%	50.0	469.9	448.9	0.38%	95.53%
2014	473.0	11,986,086.54	25,340.56	10.62%	52.6	470.6	447.2	-8.30%	95.03%
2013	511.0	11,705,750.48	22,907.54	-4.01%	47.0	514.2	487.7	-0.06%	94.85%
2012	509.0	12,147,538.89	23,865.50	2.03%	50.0	514.0	488.0	3.63%	94.94%
2011	500.0	11,694,891.45	23,389.78	7.35%	49.0	497.2	470.9	-4.07%	94.71%

**Sources:** District records, ASSA and Schedules J-12, J-14

**Note:** Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Township of Greenwich School District**  
 School Building Information  
 Last Ten Fiscal Years  
 Unaudited

	Fiscal Year Ending June 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>District Buildings</u></b>										
<b><u>Elementary:</u></b>										
Broad Street (1916):										
Square Feet	86,400	86,400	86,400	86,400	86,400	86,400	86,400	86,400	86,400	86,400
Capacity (students)	449	449	449	449	449	449	449	449	449	449
Enrollment	294	294	294	267	267	258	255	272	278	279
<b><u>Middle:</u></b>										
Nehaunsey Middle School (1971):										
Square Feet	57,024	57,024	57,024	57,024	57,024	57,024	57,024	57,024	57,024	57,024
Capacity (students)	286	286	286	286	286	286	286	286	286	286
Enrollment	148	136	136	198	198	219	218	239	233	240

Number of Schools at June 30, 2020

  Elementary - 1

  Middle - 1

**Source:** District records, ASSA

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



**Township of Greenwich School District**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
 Unaudited

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

* School Facilities	Gross Square Footage	Total	Fiscal Year Ending June 30,									
			2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Broad Street	86,400	\$ 1,511,994.82	\$ 499,791.00	\$ 318,653.02	\$ 159,774.25	\$ 136,392.67	\$ 85,566.26	\$ 100,037.33	\$ 64,786.65	\$ 52,033.69	\$ 47,775.79	\$ 47,184.16
Nehaunsey	57,024	991,432.38	333,194.00	210,310.95	105,451.00	90,019.16	19,156.20	44,337.20	80,414.21	35,892.85	40,632.83	32,023.98
<b>Total School Facilities</b>		<u>\$ 2,503,427.20</u>	<u>\$ 832,985.00</u>	<u>\$ 528,963.97</u>	<u>\$ 265,225.25</u>	<u>\$ 226,411.83</u>	<u>\$ 104,722.46</u>	<u>\$ 144,374.53</u>	<u>\$ 145,200.86</u>	<u>\$ 87,926.54</u>	<u>\$ 88,408.62</u>	<u>\$ 79,208.14</u>

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

Source: District Records (Form M-1)

**Greenwich Township School District**  
Insurance Schedule  
June 30, 2020  
*Unaudited*

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	<u>Coverage</u>		<u>Deductible</u>
<b>School Package Policy</b>			
Gloucester Cumberland Salem School Districts (GCSSDJIF):			
Property	\$ 175,000,000		\$ 500
Commercial General Liability	20,000,000		None
Commercial Automobile Liability	20,000,000		None
Comprehensive Crime Coverage			
Money and Securities	500,000		500
Employee Theft (Blanket Dishonesty Bond)	500,000	per loss	500
Robbery or Safe Burglary	500,000		500
Outside the Premises	500,000		500
Forgery or Alteration	500,000		500
Computer Fraud	500,000		500
Funds Transfer	500,000		500
Environmental Impairment Liability	3,000,000		25,000
Mold			100,000
School Leaders Professional Liability	20,000,000		None
Catlin Insurance Company			
Student Accident/Volunteer Accident	1,000,000	per accident	
Gloucester Cumberland Salem School Districts (GCSSDJIF):			
Workers Compensation:			
Employers Liability	10,000,000	per occurrence	
Public Employees' Faithful Performance Bonds			
CAN/Western Surety			
Employee Bonds			
Charles J. Owens, Treasurer	190,000.00		None
Scott A. Campbell, SBA/BS	5,000		None

Source: District Records & Insurance Broker

**SINGLE AUDIT SECTION**

Exhibit K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Greenwich School District

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

We have audited the Township of Greenwich School District's, in the County of Gloucester, State of New Jersey, compliance with the types of compliance requirements described in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2020. The School District's major state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School District's 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 the State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and the State of New Jersey Circular 15-08-OMB, 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 School District's 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 Township of Greenwich School District's compliance.

***Opinion on Each Major State Program***

In our opinion, the Township of Greenwich School District, in the County of Gloucester, State of New Jersey, 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, 2020.

### Report on Internal Control over Compliance

Management of the Township of Greenwich School District, in the County of Gloucester, State of New Jersey, 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 School District's 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 State of New Jersey Circular 15-08-OMB, 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 Township of Greenwich School District's 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 State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael J. Welding  
Certified Public Accountant  
Public School Accountant No. CS 00886

Woodbury, New Jersey  
February 2, 2021

**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards, Schedule A  
 For the Fiscal Year Ended June 30, 2020

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2019
					From	To	
<b>Special Revenue Fund:</b>							
U.S. Department of Education:							
Passed-through State Department of Education:							
E.S.S.A.:							
Title I Grants to Local Educational Agencies (LEAs):							
Title I, Part A	84.010	S010A190030	NCLB552020	\$ 100,350.00	7/1/2019	6/30/2020	
Total Title I, Part A Grants							-
Supporting Effective Instruction State Grants:							
Title II, Part A	84.367	S367A190029	NCLB552020	16,991.00	7/1/2019	6/30/2020	
Total Title II, Part A Grants							-
Student Support and Academic Enrichment Grants:							
Title IV, Part A	84.424	S424A190031	NCLB552020	10,000.00	7/1/2019	6/30/2020	
Total Title IV, Part A Grants							-
Individuals with Disabilities Education Act (IDEA)							
Special Education Cluster:							
Special Education - Grants to States (IDEA, Part B)	84.027	H027A190100	IDEA552020	156,984.00	7/1/2019	6/30/2020	
Special Education - Grants to States (IDEA, Part B)	84.027	H027A180100	IDEA552019	159,121.00	7/1/2018	6/30/2019	\$ (385.00)
Special Education - Grants to States (IDEA, Preschool)	84.173	H173A190114	IDEA552020	9,907.00	7/1/2019	6/30/2020	
Total IDEA Special Education Cluster							(385.00)
Total U.S. Department of Education (State)							(385.00)
Total Special Revenue Fund							(385.00)
<b>Enterprise Fund:</b>							
U.S. Department of Agriculture							
Passed-through State Department of Agriculture:							
Child Nutrition Cluster:							
Non-Cash Assistance:							
Food Distribution Program	10.555	191NJ304N1099	N/A	15,418.41	7/1/2019	6/30/2020	
Food Distribution Program	10.555	181NJ304N1099	N/A	12,120.09	7/1/2018	6/30/2019	1,480.18
Cash Assistance:							
School Breakfast Program (CARES)	10.553	191NJ304N1099	100-030-3350-021	2,655.40	5/1/2020	6/30/2020	
School Breakfast Program	10.553	191NJ304N1099	100-030-3350-021	28,888.69	7/1/2019	4/30/2020	
School Breakfast Program	10.553	181NJ304N1099	100-030-3350-021	36,541.99	7/1/2018	6/30/2019	(1,795.09)
National School Lunch Program (CARES)	10.555	191NJ304N1099	100-030-3350-023	4,224.50	5/1/2020	6/30/2020	
National School Lunch Program	10.555	191NJ304N1099	100-030-3350-023	53,768.02	7/1/2019	4/30/2020	
National School Lunch Program	10.555	181NJ304N1099	100-030-3350-023	70,669.05	7/1/2018	6/30/2019	(3,254.82)
Total Child Nutrition Cluster							(3,569.73)
Total Enterprise Fund							(3,569.73)
Total Federal Financial Assistance							\$ (3,954.73)

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

These funds were not audited in accordance with The Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.

Carryover / (Walkover) Amount	Budgetary Expenditures				Passed - Through to Subrecipients	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2020		
	Cash Received	Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
	\$ 100,350.00	\$ 100,350.00		\$ 100,350.00						
-	100,350.00	100,350.00	-	100,350.00	-	-	-	-	-	-
	15,960.00	16,991.00		16,991.00				\$ (1,031.00)		
-	15,960.00	16,991.00	-	16,991.00	-	-	-	(1,031.00)	-	-
	8,241.00	10,000.00		10,000.00				(1,759.00)		
-	8,241.00	10,000.00	-	10,000.00	-	-	-	(1,759.00)	-	-
	156,984.00	156,984.00		156,984.00				(385.00)		
-	9,907.00	9,907.00	-	9,907.00	-	-	-	(385.00)	-	-
-	166,891.00	166,891.00	-	166,891.00	-	-	-	(385.00)	-	-
-	291,442.00	294,232.00	-	294,232.00	-	-	-	(3,175.00)	-	-
-	291,442.00	294,232.00	-	294,232.00	-	-	-	(3,175.00)	-	-
	15,418.41	15,418.41		15,418.41						
		1,480.18		1,480.18						
	1,819.40	2,655.40		2,655.40				(836.00)		
	28,888.69	28,888.69		28,888.69						
	1,795.09									
	2,894.50	4,224.50		4,224.50				(1,330.00)		
	53,768.02	53,768.02		53,768.02						
	3,254.82									
-	107,838.93	106,435.20	-	106,435.20	-	-	-	(2,166.00)	-	-
-	107,838.93	106,435.20	-	106,435.20	-	-	-	(2,166.00)	-	-
\$ -	\$ 399,280.93	\$ 400,667.20	\$ -	\$ 400,667.20	\$ -	\$ -	\$ -	\$ (5,341.00)	\$ -	\$ -

**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2020

State Grantor / Program or Cluster Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2019			
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor	Carryover / (Walkover) Amount	Cash Received
<b>General Fund:</b>								
New Jersey Department of Education:								
Current Expense:								
State Aid - Public Cluster:								
Special Education Aid	20-495-034-5120-089	\$ 399,234.00	7/1/19	6/30/20				\$ 368,087.97
Special Education Aid	19-495-034-5120-089	399,234.00	7/1/18	6/30/19	\$ (32,788.93)			32,788.93
Security Aid	20-495-034-5120-084	133,562.00	7/1/19	6/30/20				123,142.00
Security Aid	19-495-034-5120-084	133,562.00	7/1/18	6/30/19	(10,969.39)			10,969.39
Adjustment Aid	20-495-034-5120-085	244,931.00	7/1/19	6/30/20				225,823.00
Adjustment Aid	19-495-034-5120-085	284,428.00	7/1/18	6/30/19	(23,359.96)			23,359.96
<b>Total State Aid - Public Cluster</b>					<b>(67,118.28)</b>	<b>-</b>	<b>-</b>	<b>784,171.25</b>
State Aid - Transportation:								
Transportation Aid	20-495-034-5120-014	272,578.00	7/1/19	6/30/20				251,312.97
Transportation Aid	19-495-034-5120-014	272,578.00	7/1/18	6/30/19	(22,386.72)			22,386.72
Nonpublic Transportation Aid	19-495-034-5120-014	10,150.00	7/1/18	6/30/19	(10,150.00)			10,150.00
<b>Total State Aid - Transportation</b>					<b>(32,536.72)</b>	<b>-</b>	<b>-</b>	<b>283,849.69</b>
Extraordinary Special Education Aid								
Extraordinary Special Education Aid	20-495-034-5120-044	84,733.00	7/1/19	6/30/20				84,049.00
Extraordinary Special Education Aid	19-495-034-5120-044	84,049.00	7/1/18	6/30/19	(84,049.00)			84,049.00
<b>Total Extraordinary Aid</b>					<b>(84,049.00)</b>	<b>-</b>	<b>-</b>	<b>84,049.00</b>
Reimbursed TPAF Social Security Contributions								
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	270,689.51	7/1/19	6/30/20				257,235.94
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	277,811.22	7/1/18	6/30/19	(13,526.62)			13,526.62
<b>Total Reimbursed TPAF Social Security Contributions</b>					<b>(13,526.62)</b>	<b>-</b>	<b>-</b>	<b>270,762.56</b>
Lead Testing for Schools Aid								
On-behalf T.P.A.F. Pension Contributions:								
Normal Cost	20-495-034-5094-002	780,333.00	7/1/19	6/30/20				780,333.00
Non-Contributory Insurance	20-495-034-5094-004	13,987.00	7/1/19	6/30/20				13,987.00
Post-Retirement Medical Costs	20-495-034-5094-001	294,678.00	7/1/19	6/30/20				294,678.00
Long-Term Disability Insurance	20-495-034-5094-004	590.00	7/1/19	6/30/20				590.00
<b>1 Total On-Behalf TPAF Pension Contributions (non-budgeted)</b>					<b>-</b>	<b>-</b>	<b>-</b>	<b>1,089,588.00</b>
<b>Total General Fund</b>					<b>(197,230.62)</b>	<b>-</b>	<b>-</b>	<b>2,512,420.50</b>
<b>Special Revenue Fund:</b>								
New Jersey Department of Education:								
Nonpublic Aid:								
Textbook Aid	20-100-034-5120-064	3,532.00	7/1/19	6/30/20				3,532.00
Textbook Aid	19-100-034-5120-064	3,898.00	7/1/18	6/30/19		\$ 3.86		
Nursing Services	20-100-034-5120-070	6,499.00	7/1/19	6/30/20				6,499.00
Technology	20-100-034-5120-373	2,412.00	7/1/19	6/30/20				2,412.00
Technology	19-100-034-5120-373	2,628.00	7/1/18	6/30/19		90.10		
Security	20-100-034-5120-509	10,050.00	7/1/19	6/30/20				10,050.00
Auxiliary Service:								
Compensatory Education	20-100-034-5120-067	12,493.00	7/1/19	6/30/20				10,777.00
Compensatory Education	19-100-034-5120-067	4,230.00	7/1/18	6/30/19		1,692.00		
Transportation	20-100-034-5120-067	1,990.00	7/1/19	6/30/20				1,791.00
Transportation	19-100-034-5120-067	1,983.00	7/1/18	6/30/19		1,124.21		
ESL	20-100-034-5120-067	3,309.00	7/1/19	6/30/20				3,214.00
ESL	19-100-034-5120-067	2,588.00	7/1/18	6/30/19		2,588.00		
Handicapped Services:								
Examination and Classification	20-100-034-5120-066	13,750.00	7/1/19	6/30/20				11,971.00
Examination and Classification	19-100-034-5120-066	12,195.00	7/1/18	6/30/19		5,829.40		
Corrective Speech	20-100-034-5120-066	18,319.00	7/1/19	6/30/20				15,948.00
Supplemental Instruction	20-100-034-5120-066	7,285.00	7/1/19	6/30/20				6,342.00
Supplemental Instruction	19-100-034-5120-066	7,137.00	7/1/18	6/30/19		1,846.02		
<b>Total State Department of Education</b>					<b>-</b>	<b>13,173.59</b>	<b>-</b>	<b>72,536.00</b>
<b>Total Special Revenue Fund</b>					<b>-</b>	<b>13,173.59</b>	<b>-</b>	<b>72,536.00</b>
<b>Enterprise Fund:</b>								
New Jersey Department of Agriculture:								
Child Nutrition Cluster:								
State School Lunch Program	20-100-010-3350-023	1,332.92	7/1/19	6/30/20				1,312.02
State School Lunch Program	19-100-010-3350-023	1,771.31	7/1/18	6/30/19	(80.45)			80.45
<b>Total Enterprise Fund</b>					<b>(80.45)</b>	<b>-</b>	<b>-</b>	<b>1,392.47</b>
<b>Total State Financial Assistance</b>					<b>\$ (197,311.07)</b>	<b>\$ 13,173.59</b>	<b>\$ -</b>	<b>\$ 2,586,348.97</b>
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:								
<b>General Fund (Non-Cash Assistance):</b>								
New Jersey Department of the Treasury:								
On-behalf T.P.A.F. Pension Contributions:								
Normal Cost	20-495-034-5094-002	780,333.00	7/1/19	6/30/20				
Non-Contributory Insurance	20-495-034-5094-004	13,987.00	7/1/19	6/30/20				
Post-Retirement Medical Costs	20-495-034-5094-001	294,678.00	7/1/19	6/30/20				
Long-Term Disability Insurance	20-495-034-5094-004	590.00	7/1/19	6/30/20				
<b>Total General Fund (Non-Cash Assistance)</b>								
<b>Total State Financial Assistance subject to Major Program Determination for State Single Audit</b>								

F: rounding difference in remittance to due grantor.

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

(A) Variance due to rounding.



Adjustments (F)	Total Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance at June 30, 2020			(Memo Only)	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2020	Cumulative Total Expenditures
	\$ 399,234.00			\$ (31,146.03)			\$ (31,146.03)	\$ 399,234.00
	133,562.00			(10,420.00)			(10,420.00)	399,234.00
	244,931.00			(19,108.00)			(19,108.00)	133,562.00
								244,931.00
								284,428.00
-	777,727.00	-	-	(60,674.03)	-	-	(60,674.03)	1,594,951.00
	272,578.00			(21,265.03)			(21,265.03)	272,578.00
								272,578.00
								10,150.00
-	272,578.00	-	-	(21,265.03)	-	-	(21,265.03)	555,306.00
	84,733.00			(84,733.00)				84,733.00
								84,049.00
-	84,733.00	-	-	(84,733.00)	-	-	-	168,782.00
	270,689.51			(13,453.57)				270,689.51
								277,811.22
-	270,689.51	-	-	(13,453.57)	-	-	-	548,500.73
	780,333.00							780,333.00
	13,987.00							13,987.00
	294,678.00							294,678.00
	590.00							590.00
-	1,089,588.00	-	-	-	-	-	-	1,089,588.00
-	2,495,315.51	-	-	(180,125.63)	-	-	(81,939.06)	3,957,127.73
\$ 0.14	3,479.00		\$ 4.00			\$ 53.00		3,479.00
	6,499.00							3,894.14
	2,352.00					60.00		6,499.00
(0.10)	10,050.00		90.00					2,352.00
								2,537.90
	11,195.00			(1,716.00)		1,298.00		10,050.00
	1,434.00		1,692.00	(199.00)		556.00		11,195.00
(0.21)	2,151.00		1,124.00	(95.00)		1,158.00		2,538.00
			2,588.00					1,434.00
	13,004.00			(1,779.00)		746.00		858.79
(0.40)	17,863.00		5,829.00	(2,371.00)		456.00		2,151.00
	4,452.00			(943.00)		2,833.00		13,004.00
(0.02)			1,846.00					6,265.60
(0.59)	72,479.00	-	13,173.00	(7,103.00)	-	7,160.00	-	17,863.00
(0.59)	72,479.00	-	13,173.00	(7,103.00)	-	7,160.00	-	17,863.00
								4,452.00
								5,290.98
	1,332.92			(20.90)				72,479.00
								72,479.00
-	1,332.92	-	-	(20.90)	-	-	-	13,173.00
\$ (0.59)	\$ 2,569,127.43	\$ -	\$ 13,173.00	\$ (187,249.53)	\$ -	\$ 7,160.00	\$ (81,939.06)	\$ 4,054,096.37
	780,333.00							1,332.92
	13,987.00							1,771.31
	294,678.00							
	590.00							
	1,089,588.00							
	\$ 1,479,539.43							

**TOWNSHIP OF GREENWICH SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2020

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**Note 1: BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Township of Greenwich School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting. This basis of accounting is described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June 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 \$7,566.00 for the general fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund.

**Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General		\$ 2,502,881.51	\$ 2,502,881.51
Special Revenue	\$ 294,232.00	72,479.00	366,711.00
Food Service	104,955.02	1,332.92	106,287.94
	<u>399,187.02</u>	<u>2,576,693.43</u>	<u>2,975,880.45</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments		(7,566.00)	(7,566.00)
National School Lunch Commodities Inventory	1,480.18		
	<u>1,480.18</u>	<u>(7,566.00)</u>	<u>(7,566.00)</u>
Total Awards and Financial Assistance Expended	<u>\$ 400,667.20</u>	<u>\$ 2,569,127.43</u>	<u>\$ 2,968,314.45</u>

**Note 4: RELATIONSHIP TO STATE FINANCIAL REPORTS**

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

**Note 5: ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" on Schedule K-4 represent rounding differences in the remittance of amounts due grantor.

**Note 6: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2020, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 7: MAJOR PROGRAMS**

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.





**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

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***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

**No Current Year Findings**

**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

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***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Not applicable**

**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

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***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

**No Current Year Findings**



**GREENWICH TOWNSHIP SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

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

**FINANCIAL STATEMENT FINDINGS**

**No Prior Year Findings**

**FEDERAL AWARDS**

**Not applicable**

**STATE FINANCIAL ASSISTANCE PROGRAMS**

**No Prior Year Findings**

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APPRECIATION

We express our appreciation for the assistance and courtesies rendered by the District officials during the course of the audit.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants &  
Consultants



Michael J. Welding  
Certified Public Accountant  
Public School Accountant No. CS00886