

**WALL TOWNSHIP BOARD OF EDUCATION**

Wall, New Jersey  
County of Monmouth

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2020**



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



**YEAR ENDED JUNE 30, 2020**

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



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**INTRODUCTORY SECTION**

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

Brian Smyth  
Business Administrator/Board Secretary

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

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January 29, 2021

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

Dear Board Members and Citizens of the Township of Wall:

The comprehensive annual financial report of the Wall Township Public School District (District) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2020, and the respective changes in financial position and cash flows, where applicable, for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

### 1. Reporting Entity and its Service

The Wall Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14, amended by GASB Statements No. 39, 61, and 80. All funds of the District are included in this report. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and special education students. In addition, services are provided for pre-school handicapped special needs students. The Wall Township Public School District is comprised of five elementary schools, one middle school and one high school. The District student count at October 15, 2019 was 3,351.

### 2. Economic Condition and Outlook

The Wall Township area continues to experience limited residential development and turnover, which results in enrollment declining on a consistent basis. However, enrollment has increased or remained constant at the elementary grades.

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

The 2019-2020 budget appropriations increased by 3.40% over the prior year budget with the Operating Budget totaling \$76,795,000. The budget included capital project funds in the amount of \$3,464,780 for HVAC improvements, phase 2 at Allenwood Elementary and Central Elementary, roof replacement at the Operations building, and for the development of the Student Transportation Facility. On the revenue side, the tax levy increase was 0.98%, which is less than half the allowable tax levy increase of 2%. The budget was funded with \$3,457,000 drawdown from Capital Reserve for the above noted projects, \$100,000 drawdown from Maintenance Reserve for facility maintenance work, and \$695,000 drawdown from Emergency Reserve to offset health benefit increases. Additionally, \$979,705 in revenue was included as Budgeted Fund Balance from the prior year.

### 4. Internal Controls

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

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

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

#### 5. Budgetary Controls and Process

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

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

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

#### 6. Financial Policies

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

#### 7. Accounting System and Reports

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

## 8. Debt Administration

Under the provisions of New Jersey statutes, school districts may not incur indebtedness greater than 4% of the average equalized valuation of taxable property. At June 30, 2020 the District's outstanding debt issues are below the legal debt margin and are summarized in the "Notes to the Basic Financial Statements". It is noted that the Wall Township Public School District continued to maintain its Moody's Investors Services Aa3 rating. Moody's most recent rating report states "The affirmation incorporates the District's improved financial condition following three years of structurally balanced operations despite a statutory two percent tax levy cap and state aid reductions." Moody's believes the District will maintain its satisfactory financial position given the trend of structurally balanced operations that improved liquidity and reserves due to conservative budgeting practices.

The district refunded 2005, 2006, and 2007 Series Bonds in March of 2015. The 2015 Refunding Bonds (2015 Series Bonds) were priced on March 25, 2015. The par amount of the bonds is \$17,515,000 and the net interest rate of the bonds is 1.98%. The total debt service savings will be approximately \$1,838,000 translating to an average savings of \$200,000 annually through June 30, 2024. Standard & Poor's Ratings Service assigned its 'AA' long-term rating and stable outlook to the 2015 bonds and affirmed its 'AA' rating and stable outlook on the district's existing debt.

The district will start to reduce its minimum annual debt obligations in the year ending June 30, 2022, and will have the ability to introduce savings by eliminating interest payments in future years by paying off 2012 callable bonds early while maintaining the current level of debt. The 2015 Series Bonds mentioned above will reach their maturity date at the end of the 2023-24 school year. The district is in the process of identifying programs and capital improvement projects best suited for debt service funding to be in a position to replace the debt in the 2024-25 school year.

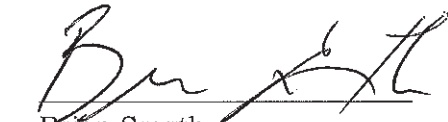
## 9. Other Information

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

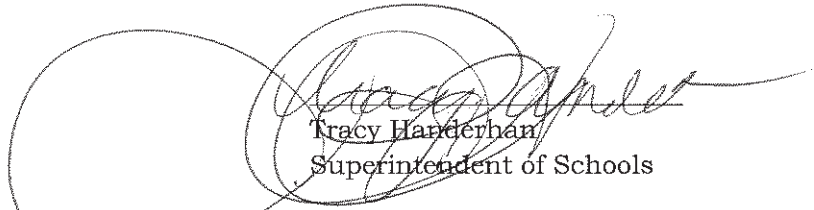
Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A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

10. Acknowledgments

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



Brian Smyth  
Business Administrator



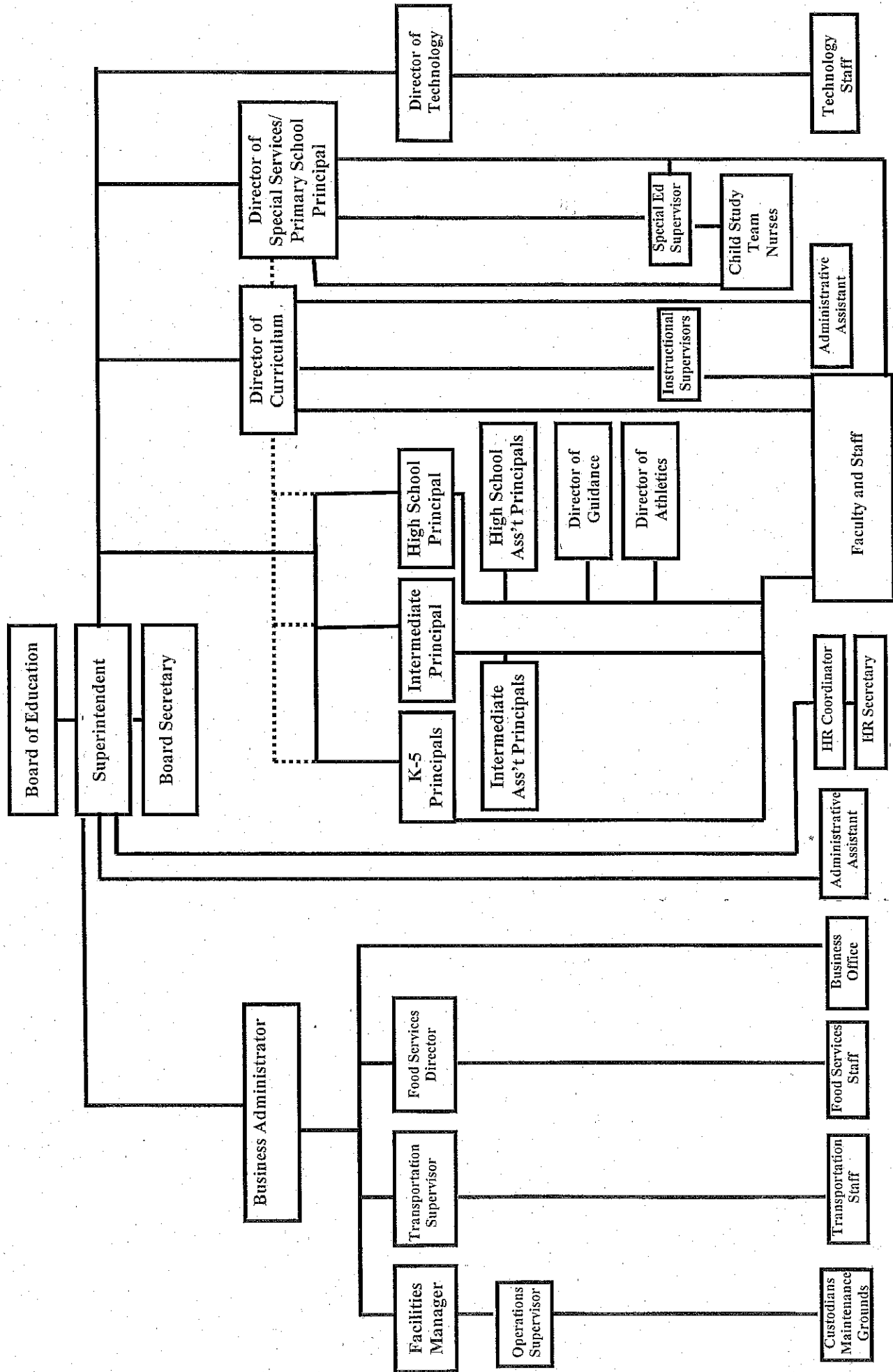
Tracy Handerman  
Superintendent of Schools

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# Wall Township Public Schools

## Organizational Chart



REVISED: July 15, 2014

As defined by job descriptions

..... Related to Curriculum and/or Special Education

Attachment S5

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**WALL TOWNSHIP BOARD OF EDUCATION  
WALL, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2020**

Members of the Board of Education

**TERM EXPIRES**

Ralph Addonizio, President	December 2022
Christopher San Filippo, Vice President	December 2020
Russell Gartz	December 2022
Joseph Hall	December 2022
Andrew Krupa	December 2021
Erin Mangan	December 2020
Adam Nasr	December 2020
Christine Steitz	December 2020
Kenneth Wondrack	December 2020

Other Officials

Cheryl Dyer, Superintendent of Schools	December 2014 - June 30, 2020
Dr. Henry G. Cram, Acting Superintendent of Schools	April 1, 2020 - July 1, 2020
Brian Smyth, School Business Administrator/Board Secretary	
Pablo Canela, Treasurer	
Michael J. Gross, Board Attorney	

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**WALL TOWNSHIP BOARD OF EDUCATION  
WALL, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2020**

**AUDITOR/AUDIT FIRM**

Matthew Holman, CPA, PSA  
Holman Frenia Allison, P. C.  
680 Hooper Avenue, Building B Suite 201  
Toms River, New Jersey 08753

**ATTORNEY**

Michael Gross, Esq.  
Kenney, Gross, Kovats & Parton  
130 Maple Avenue  
Red Bank, New Jersey 07701

**OFFICIAL DEPOSITORY**

TD Bank  
1840 Old Mill Road  
Wall Township, New Jersey 07719

**FINANCIAL ADVISOR**

Phoenix Advisors  
4 West Park Street  
Bordentown, New Jersey 08505

**HEALTH BENEFIT INSURANCE BROKER**

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

**PROPERTY & CASUALTY INSURANCE BROKER**

Willis of New Jersey, Inc.  
P.O. Box 5002  
Short Hills, New Jersey 07078-5002

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**FINANCIAL SECTION**

Second Section

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## INDEPENDENT AUDITORS REPORT

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

### 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 Wall Township School District, County of Monmouth, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 Wall Township School District, County of Monmouth, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

### *Other Information*

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

The accompanying combining statements and related major fund supporting statements and schedules, and the 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 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 them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman  
Certified Public Accountant  
Public School Accountant, No. 20CS00260100

Freehold, New Jersey  
January 29, 2021

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

Management's Discussion and Analysis

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**WALL TOWNSHIP BOARD OF EDUCATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED JUNE 30, 2020**

This section of the Wall Township Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2019-2020) and the prior fiscal year (2018-2019) is required to be presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2020 are as follows:

- In total, net position of governmental activities increased \$5,598,352, which represents a 130.16% increase from 2019. Total net position of business-type activities decreased \$219,059, which represents a 61.31% decrease from 2019.
- General revenues accounted for \$75,842,613 in revenue or 79.92% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$19,051,386 or 20.08% of total revenues of \$94,893,999.
- Total assets of governmental activities increased by \$1,373,743 as cash and cash equivalents and restricted cash decreased by \$1,052,926, receivables increased by \$110,705, and total capital assets increased by \$2,088,898.
- Total liabilities of governmental activities decreased by \$5,087,969 as accounts payable decreased by \$910,482 and non-current liabilities due beyond one year decreased by \$5,482,513.
- The District had \$87,723,167 in governmental activity expenses; only \$17,534,226 of these expenses were offset by program specific grants, or contributions. General revenues and special items from governmental activities (primarily property taxes) of \$75,787,291 were adequate to provide for these programs, resulting in an increase in net position for governmental activities of \$5,598,350.
- In the governmental funds, the general fund had \$83,784,959 in revenues, \$83,324,066 in expenditures, and net financing uses of 11,859. The general fund's fund balance increased by \$449,034 over 2019.

## USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

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

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

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

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

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

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

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

### *Governmental Funds*

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

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

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

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

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



### ***Proprietary Funds***

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

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

### ***Fiduciary Funds***

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

The District uses trust and agency funds to account for resources held for student activities and groups, for payroll transactions, student scholarship fund and for the District's unemployment trust fund. The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

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

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

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

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

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2020 and 2019, respectively:

**Net Position  
June 30, 2020**

	Governmental Activities		Business-Type Activities	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Assets</b>				
Current and Other				
Assets	\$ 14,695,994	\$ 15,411,150	\$ 154,349	\$ 343,118
Capital Assets, Net	39,107,104	37,018,205	66,949	82,010
Total Assets	<u>53,803,098</u>	<u>52,429,355</u>	<u>221,298</u>	<u>425,128</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows				
Relating to Pension	4,375,371	5,342,947	-	-
Deferred Charges on Refunding of Debt	105,259	149,315	-	-
Total				
Deferred Outflows of Resources	<u>4,480,630</u>	<u>5,492,262</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-Term Liabilities	35,085,055	40,279,286	-	-
Other Liabilities	4,436,097	4,329,835	83,066	67,837
Total Liabilities	<u>39,521,152</u>	<u>44,609,121</u>	<u>83,066</u>	<u>67,837</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows				
Relating to Pension	8,862,942	9,011,212	-	-
Total				
Deferred Inflows of Resources	<u>8,862,942</u>	<u>9,011,212</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in				
Capital Assets	27,294,108	23,668,548	66,949	82,010
Restricted	7,339,725	7,007,106	-	-
Unrestricted	(24,734,199)	(26,374,370)	71,283	275,281
Total Net Position	<u>\$ 9,899,634</u>	<u>\$ 4,301,284</u>	<u>\$ 138,232</u>	<u>\$ 357,291</u>

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Net Investment in Capital Assets represents resources that are subject to external restrictions on how they may be used. Within this category, the investment amount of \$27,294,108 represents primarily the capital investment. The Net Investment in Capital Assets, also includes the portion of capital assets not yet fully depreciated at June 30, 2020.

Restricted net position increased \$332,619 from the prior year to \$7,339,725 at June 30, 2020.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$24,734,199) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2020 and 2019. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<b><u>June 30, 2020</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues and Special Items:</b>			
Program Revenues:			
Charges for Services	\$ -	\$ 1,228,364	\$ 1,228,364
Operating Grants and Contributions	17,534,226	288,796	17,823,022
General Revenues:			
Property Taxes	68,314,277	-	68,314,277
Federal and State Aid	5,972,460	-	5,972,460
Miscellaneous	1,555,554	55,322	1,610,876
Total Revenues and Special Items	<u>93,321,517</u>	<u>1,572,482</u>	<u>94,893,999</u>
<b>Expenses:</b>			
Instructional Services	57,223,861	-	57,223,861
Support Services	30,196,216	1,791,541	31,987,757
Interest and Other Charges	303,090	-	303,090
Total Expenses	<u>87,723,167</u>	<u>1,791,541</u>	<u>89,514,708</u>
Change in Net Position	5,598,350	(219,059)	5,379,291
Net Position, Beginning	4,301,284	357,291	4,658,575
Net Position, Ending	<u>\$ 9,899,634</u>	<u>\$ 138,232</u>	<u>\$ 10,037,866</u>

	<b><u>June 30, 2019</u></b>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
<b>Revenues:</b>			
Program Revenues:			
Charges for Services	\$ 1,004,092	\$ 1,725,819	\$ 2,729,911
Operating Grants and Contributions	26,407,777	295,234	26,703,011
General Revenues:			
Property Taxes	67,661,150	-	67,661,150
Federal and State Aid	449,440	-	449,440
Miscellaneous	150,657	-	150,657
Special Items	88,398	-	88,398
Total Revenues	<u>95,761,514</u>	<u>2,021,053</u>	<u>97,782,567</u>
<b>Expenses:</b>			
Instructional Services	57,788,445	-	57,788,445
Support Services	35,437,298	1,968,260	37,405,558
Interest and Other Charges	364,205	-	364,205
Total Expenses	<u>93,589,948</u>	<u>1,968,260</u>	<u>95,558,208</u>
Change in Net Position	2,171,566	52,793	2,224,359
Net Position, Beginning	2,129,718	304,498	2,434,216
Net Position, Ending	<u>\$ 4,301,284</u>	<u>\$ 357,291</u>	<u>\$ 4,658,575</u>

## Financial Analysis of the District's Funds

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

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

### Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2020 and 2019 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

<b>June 30, 2020</b>				
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Local Tax Levy	\$ 68,314,277	77.16%	\$ 653,127	0.97%
Tuition Charges	1,135,336	1.28%	255,996	29.11%
Miscellaneous	379,383	0.43%	(26,679)	-6.57%
State Sources	17,104,359	19.32%	1,296,699	8.20%
Federal Sources	1,602,578	1.81%	233,177	17.03%
<b>Total</b>	<b>\$ 88,535,933</b>	<b>100.00%</b>	<b>\$ 2,412,320</b>	<b>2.80%</b>

<b>June 30, 2019</b>				
	Amount	Percent Of Total	Increase (Decrease) From 2018	Percent of Increase (Decrease)
Local Tax Levy	\$ 67,661,150.00	78.56%	\$ 1,283,221.00	1.93%
Tuition Charges	879,340	1.02%	259,305	41.82%
Miscellaneous	406,062	0.47%	(737,390)	-64.49%
State Sources	15,807,660	18.35%	1,332,835	9.21%
Federal Sources	1,369,401	1.59%	34,131	2.56%
<b>Total</b>	<b>\$ 86,123,613</b>	<b>100.00%</b>	<b>\$ 2,172,102</b>	<b>-5.80%</b>

The Increase in the local tax levy increase necessary to support the District's 2019 - 2020 general fund budget. Tuition charges increased in 2019 - 2020 due to an increase in the number of students received from other districts into the District's programs.

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2020 and 2019 and the amount and percentage of increases and (decreases) in relation to prior year expenditures.

<b>June 30, 2020</b>				
	Amount	Percent Of Total	Increase (Decrease) From 2019	Percent of Increase (Decrease)
Current Expenditures:				
Instruction*	\$ 34,665,002	39.36%	\$ (13,068,672)	-27.38%
Undistributed*	46,340,391	52.61%	13,112,289	39.46%
Capital Outlay	3,970,890	4.51%	2,284,458	135.46%
Debt Service:				
Principal	2,525,000	2.87%	(140,816)	-5.28%
Interest	573,757	0.65%	(100,067)	-14.85%
<b>Total</b>	<b>\$ 88,075,040</b>	<b>100.00%</b>	<b>\$ 2,087,192</b>	<b>2.43%</b>

\* Represents a change in classification of expenditures from prior year audit

**June 30, 2019**

	Amount	Percent Of Total	Increase (Decrease) From 2018	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 47,733,674	55.51%	\$ 863,981	1.09%
Undistributed	33,228,102	38.64%	8,915,155	9.23%
Capital Outlay	1,686,432	1.96%	10,150,281	192.14%
Debt Service:				
Principal	2,665,816	3.10%	(980,000)	-17.97%
Interest	673,824	0.78%	(176,101)	-6.35%
Total	<u>\$ 85,987,848</u>	<u>100.00%</u>	<u>\$ 18,773,317</u>	<u>9.93%</u>

**General Fund Budgetary Highlights**

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2019-2020 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

**Significant Budget Transfers and Variations:**

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2019-2020 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2019-2020 unassigned fund balance increased by \$283,816.00 to \$1,730,475 (2% required per S-1701, net of allowable adjustments).

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

The Food Services Enterprise Fund showed a change in net position of (\$207,029) in 2019-2020 as compared to a change in net position of \$69,062 in 2018-2019. Operating revenues decreased by 33.4% in 2019-2020 while operating expenses decreased 9.6%. The food service incurred an operating loss of (\$505,816) in 2019-2020, as compared to an operating loss of (\$226,172) in 2018-2019. Funding from the State and Federal Government under the State and National Programs decreased \$6,477 from 2018-2019 to 2019-2020. The unrestricted net position of the food service program was (\$8,551) and the restricted amount of Net Investment in Capital Assets totaled \$66,949 at June 30, 2020. Although the food service operation is still not profitable, the district feels that the investments it is making in the program to improve service, combined with the changes in the operations recommended by its food service consultant, will make the program's financial results positive over time.

The Before and After School Programs Fund showed a change in net position of (\$40,860) in 2019-2020 as compared to a change in net position of (\$16,269) in 2018-2019. Operating revenues decreased by 22.50% in 2019-2020 while operating expenses decreased 6.97%. The Before and After School Program incurred an operating loss of (\$86,182) in 2019-2020, as compared to an operating loss of (\$16,269) in 2018-2019.

The Chromebook Enterprise Fund showed a change in net position of \$28,830 in 2019-2020. The Chromebook Fund incurred operating income of \$28,830 in 2019-2020. The District initiated the Chromebook Fund in the current year.

## Capital Assets

At June 30, 2020 the District has capital assets of \$39,107,104 net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2020</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 534,652	\$ -
Land Improvements	34,838,212	-
Buildings/Construction	276,566	-
Machinery and Equipment	3,457,674	66,949
Total	<u>\$ 39,107,104</u>	<u>\$ 66,949.00</u>

	<u>June 30, 2019</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 534,652	\$ -
Construction In Progress	405,323	-
Land Improvements	329,451	-
Buildings/Construction	32,611,579	-
Machinery and Equipment	3,137,200	82,010
Total	<u>\$ 37,018,205</u>	<u>\$ 82,010</u>

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

## Debt Administration and Other Obligations

At June 30, 2020 and 2019, the District's outstanding debt issues included \$1,120,000.00 and \$9,360,000.00 respectively of general obligation bonds (2012 pension refunding bonds, and 2015 refunding bonds), \$121,700.00, \$244,428.00 and \$421,011.00 respectively of capital leases (2017 School Buses, 2019 School Buses, and 2020 School Buses) and \$1,813,915 in compensated absences payable.

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

## Economic Factors and Subsequent Year's Budgets

- The District anticipates that the approved 2020-2021 budget will be adequate to satisfy all 2020-2021 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.
- At this time it appears that it will be a challenge to sustain the level of surplus utilization the District has used in funding budgets in recent years. The excess surplus available for use in the 2020-2021 budget is \$-0-.
- It is expected the State of New Jersey will again delay the final state aid payments to school districts for 2019-2020.

## Requests for Information

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

**BASIC FINANCIAL STATEMENTS**

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**A. Government-Wide Financial Statements**

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**WALL TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

	GOVERNMENTAL		BUSINESS-TYPE	
	ACTIVITIES	ACTIVITIES	ACTIVITIES	TOTAL
<b>ASSETS:</b>				
Cash & Cash Equivalents	\$ 5,557,776	\$ 76,993	\$	5,634,769
Receivables, Net (Note 4)	1,822,631	77,356		1,899,987
Cash Held with Fiscal Agents	227,065	-		227,065
Restricted Cash & Cash Equivalents	7,088,522	-		7,088,522
Capital Assets, Net (Note 5)				
Non-Depreciable	534,652	-		534,652
Depreciable	38,572,452	66,949		38,639,401
Total Assets	53,803,098	221,298		54,024,396
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Related to Pensions (Note 8)	4,375,371	-		4,375,371
Related to Loss on Debt Refunding	105,259	-		105,259
Total Deferred Outflow of Resources	4,480,630	-		4,480,630
<b>LIABILITIES:</b>				
Accounts Payable	980,148	22,679		1,002,827
Due to Other Governments	1,321,116	-		1,321,116
Unearned Revenue	32,026	60,387		92,413
Accrued Interest	252,755	-		252,755
Other Current Liabilities	1,850,052	-		1,850,052
Noncurrent Liabilities (Note 7):				
Due Within One Year	3,126,472	-		3,126,472
Due in More Than One Year	31,958,583	-		31,958,583
Total Liabilities	39,521,152	83,066		39,604,218
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Related to Pensions (Note 8)	8,862,942	-		8,862,942
Total Deferred Inflow of Resources	8,862,942	-		8,862,942
<b>NET POSITION:</b>				
Net Investment in Capital Assets	27,294,108	66,949		27,361,057
Restricted for:				
Capital Projects	5,434,322	-		5,434,322
Debt Service	1	-		1
Maintenance Reserve	1,137,452	-		1,137,452
Legal Reserve	767,950	-		767,950
Unrestricted (Deficit)	(24,734,199)	71,283		(24,662,916)
Total Net Position	\$ 9,899,634	\$ 138,232	\$	10,037,866

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

WALL TOWNSHIP BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 36,131,686	\$ -	\$ 10,840,917	\$ (25,290,769)	\$ -	\$ (25,290,769)
Special Education Instruction	17,029,615	-	4,504,567	(12,525,048)	-	(12,525,048)
Vocational Education	805,995	-	35,645	(770,350)	-	(770,350)
Other Instruction	1,741,541	-	460,661	(1,280,880)	-	(1,280,880)
School Sponsored Cocurricular/Athletics	1,515,024	-	67,002	(1,448,022)	-	(1,448,022)
Support Services:						
Student & Instruction Related Services	9,639,655	-	426,314	(9,213,341)	-	(9,213,341)
General Administrative	1,157,589	-	51,194	(1,106,395)	-	(1,106,395)
School Administrative Services	4,002,342	-	453,410	(3,548,932)	-	(3,548,932)
Central Services	931,562	-	41,198	(890,364)	-	(890,364)
Administrative Info. Technology	862,692	-	38,153	(824,539)	-	(824,539)
Plant Operations & Maintenance	7,921,174	-	363,914	(7,557,260)	-	(7,557,260)
Pupil Transportation	5,681,202	-	251,251	(5,429,951)	-	(5,429,951)
Interest & Other Charges	303,090	-	-	(303,090)	-	(303,090)
Total Governmental Activities	87,723,167	-	17,534,226	(70,188,941)	-	(70,188,941)
Business-Type Activities:						
Food Service	1,350,848	845,023	288,796	-	(217,029)	(217,029)
Before and After School Programs	440,693	354,511	-	-	(86,182)	(86,182)
Chrome Books	-	28,830	-	-	28,830	28,830
Total Business-Type Activities	1,791,541	1,228,364	288,796	-	(274,381)	(274,381)
Total Primary Government	\$ 89,514,708	\$ 1,228,364	\$ 17,823,022	(70,188,941)	(274,381)	(70,463,322)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				65,973,388	-	65,973,388
Property Taxes, Levied for Debt Service				2,340,889	-	2,340,889
Federal & State Aid Restricted				850,088	-	850,088
Federal & State Aid Not Restricted				5,122,372	-	5,122,372
Tuition Charges				1,135,336	-	1,135,336
Miscellaneous				377,077	322	377,399
Board Contributions				(55,000)	55,000	-
Cancellation of Accounts Payable				43,141	-	43,141
Total General Revenues and Special Items				75,787,291	55,322	75,842,613
Change In Net Position				5,598,350	(219,059)	5,379,291
Net Position - Beginning				4,301,284	357,291	4,658,575
Net Position - Ending				\$ 9,899,634	\$ 138,232	\$ 10,037,866

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

## **B. Fund Financial Statements**

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## **Governmental Funds**

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**WALL TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2020**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 6,360,849	\$ -	\$ -	\$ 1	\$ 6,360,850
Cash Held with Fiscal Agents	227,065	-	-	-	227,065
Receivables, Net:					
Due from Other Governments:					
Federal	-	171,494	-	-	171,494.00
State	578,973	3,349	937,389	-	1,519,711
Other Receivables	131,426	-	-	-	131,426
Restricted Cash & Cash Equivalents	7,088,522				7,088,522
<b>Total Assets</b>	<b>\$ 14,386,835</b>	<b>\$ 174,843</b>	<b>\$ 937,389</b>	<b>\$ 1</b>	<b>\$ 15,499,068</b>
<b>LIABILITIES &amp; FUND BALANCES</b>					
<b>Liabilities:</b>					
Cash Deficit	\$ -	\$ 116,887	\$ 686,187	\$ -	\$ 803,074
Accounts Payable	940,318	39,830	-	-	980,148
Intergovernmental Payable:					
State	-	8,569	-	-	8,569
Unearned Revenue	22,469	9,557	-	-	32,026
Other Current Liabilities	1,850,052	-	-	-	1,850,052
<b>Total Liabilities</b>	<b>2,812,839</b>	<b>174,843</b>	<b>686,187</b>	<b>-</b>	<b>3,673,869</b>
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital Reserve	5,183,120	-	-	-	5,183,120
Maintenance Reserve	1,137,452	-	-	-	1,137,452
Emergency Reserve	767,950	-	-	-	767,950
Capital Projects	-	-	251,202	-	251,202
Debt Service	-	-	-	1	1
<b>Assigned to:</b>					
Other Purposes	1,835,158	-	-	-	1,835,158
Designated for Subsequent Year's Expenditures	1,326,536				1,326,536
Unassigned	1,323,780	-	-	-	1,323,780
<b>Total Fund Balances</b>	<b>11,573,996</b>	<b>-</b>	<b>251,202</b>	<b>1</b>	<b>11,825,199</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 14,386,835</b>	<b>\$ 174,843</b>	<b>\$ 937,389</b>	<b>\$ 1</b>	
Amounts reported for <i>governmental activities</i> 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 \$70,815,085 and the accumulated depreciation is \$31,707,981.					
					39,107,104
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.					
					4,375,371
					(8,862,942)
					105,259
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.					
					(252,755)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					
					(1,312,547)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					(35,085,055)
Net Position of Governmental Activities					<u>\$ 9,899,634</u>

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

**WALL TOWNSHIP BOARD OF EDUCATION  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2020**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 65,973,388	\$ -	\$ -	\$ 2,340,889	\$ 68,314,277
Tuition Charges	1,135,336	-	-	-	1,135,336
Miscellaneous	377,077	2,306	-	-	379,383
Total Local Sources	67,485,801	2,306	-	2,340,889	69,828,996
State Sources	16,264,086	90,185	-	750,088	17,104,359
Federal Sources	35,072	1,567,506	-	-	1,602,578
Total Revenues	83,784,959	1,659,997	-	3,090,977	88,535,933
Expenditures:					
Instruction:					
Regular Instruction	20,341,508	1,283,591	-	-	21,625,099
Special Education Instruction	10,192,358	-	-	-	10,192,358
Vocational Education	626,879	-	-	-	626,879
Other Instruction	1,042,326	-	-	-	1,042,326
School Sponsored CoCurricular/Athletics	1,178,340	-	-	-	1,178,340
Support Services:					
Attendance & Social Work Services	649,565	-	-	-	649,565
Health Services	603,941	-	-	-	603,941
Student & Instruction Related Services	5,967,518	276,406	-	-	6,243,924
General Administrative	900,338	-	-	-	900,338
School Administrative Services	3,112,900	-	-	-	3,112,900
Central Services	724,541	-	-	-	724,541
Administrative Information Technology	670,976	-	-	-	670,976
Plant Operations & Maintenance	6,400,031	-	-	-	6,400,031
Pupil Transportation	4,418,666	-	-	-	4,418,666
Unallocated Benefits	11,438,723	-	-	-	11,438,723
On Behalf TPAF Pension and Social Security Contributions	11,176,786	-	-	-	11,176,786
Capital Outlay	3,870,890	100,000	-	-	3,970,890
Debt Service:					
Principal	-	-	-	2,525,000	2,525,000
Interest & Other Charges	7,780	-	-	565,977	573,757
Total Expenditures	83,324,066	1,659,997	-	3,090,977	88,075,040
Excess/(Deficiency) of Revenues Over Expenditures	460,893	-	-	-	460,893
Other Financing Sources (Uses):					
Transfers Out	(55,000)	-	-	-	(55,000)
Cancellation of Prior Year Account Payable	43,141	-	-	-	43,141
Total Other Financing Sources (Uses)	(11,859)	-	-	-	(11,859)
Net Changes in Fund Balances	449,034	-	-	-	449,034
Fund Balance, July 1	11,124,962	-	251,202	1	11,376,165
Fund Balance, June 30	\$ 11,573,996	\$ -	\$ 251,202	\$ 1	\$ 11,825,199

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

**WALL TOWNSHIP BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

Total Net Changes in Fund Balances - Governmental Funds (B-2)	\$	449,034
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
	Depreciation Expense	\$ (1,876,328)
	Capital Outlays	<u>3,965,227</u>
		2,088,899
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.		
		6,686
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		2,838,189
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
	Amortization of Premium on Bonds	272,528
	Amortization of Loss on Bond Refunding	<u>(44,056)</u>
		228,472
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		
		42,195
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(55,125)</u>
Change in Net Position of Governmental Activities	\$	<u><u>5,598,350</u></u>

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## **Proprietary Funds**

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**WALL TOWNSHIP BOARD OF EDUCATION  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			
	<b>FOOD SERVICE</b>	<b>BEFORE AND AFTER SCHOOL PROGRAMS</b>	<b>CHROME BOOKS</b>	<b>TOTALS</b>
<b>ASSETS</b>				
Current Assets:				
Cash & Cash Equivalents	\$ 21,924	\$ 26,239	\$ 28,830	\$ 76,993
Accounts Receivable:				
Federal	17,556	-	-	17,556
State	2,356	-	-	2,356
Other Receivables	10,000	47,444	-	57,444
Total Current Assets	51,836	73,683	28,830	154,349
Noncurrent Assets:				
Capital Assets	593,726	-	-	593,726
Less: Accumulated Depreciation	(526,777)	-	-	(526,777)
Total Capital Assets, Net	66,949	-	-	66,949
Total Noncurrent Assets	66,949	-	-	66,949
Total Assets	\$ 118,785	\$ 73,683	\$ 28,830	\$ 221,298
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ -	\$ 22,679	\$ -	\$ 22,679
Unearned Revenue	60,387	-	-	60,387
Total Current Liabilities	60,387	22,679	-	83,066
<b>NET POSITION</b>				
Net Investment in Capital Assets	66,949	-	-	66,949
Unrestricted	(8,551)	51,004	28,830	71,283
Total Net Position	\$ 58,398	\$ 51,004	\$ 28,830	\$ 138,232

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

**WALL TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			<b>TOTALS</b>
	<b>FOOD SERVICE</b>	<b>BEFORE AND AFTER SCHOOL PROGRAMS</b>	<b>CHROME BOOKS</b>	
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 281,896	\$ -	\$ -	\$ 281,896
Daily Sales - Non-Reimbursable Programs	511,220	-	-	511,220
Program Fees	-	354,511	-	354,511
Miscellaneous	51,907	-	28,830	80,737
<b>Total Operating Revenues</b>	<b>845,023</b>	<b>354,511</b>	<b>28,830</b>	<b>1,228,364</b>
Operating Expenses:				
Cost of Sales - Reimbursable Programs	204,154	-	-	204,154
Cost of Sales - Non Reimbursable	273,866	-	-	273,866
Salaries	601,442	380,901	-	982,343
Employee Benefits	229,933	33,511	-	263,444
Supplies and Materials	-	2,352	-	2,352
Depreciation	15,061	-	-	15,061
Purchased Property Services	-	23,929	-	23,929
Other	26,392	-	-	26,392
<b>Total Operating Expenses</b>	<b>1,350,848</b>	<b>440,693</b>	<b>-</b>	<b>1,791,541</b>
<b>Operating Income/(Loss)</b>	<b>(505,825)</b>	<b>(86,182)</b>	<b>28,830</b>	<b>(563,177)</b>
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch Program	8,799	-	-	8,799
Federal Sources:				
National School Lunch Program	183,211	-	-	183,211
National School Breakfast Program	41,280	-	-	41,280
Food Distribution Program	55,506	-	-	55,506
Interest Revenue	-	322	-	322
Board Contribution	10,000	45,000	-	55,000
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>298,796</b>	<b>45,322</b>	<b>-</b>	<b>344,118</b>
<b>Change in Net Position</b>	<b>(207,029)</b>	<b>(40,860)</b>	<b>28,830</b>	<b>(219,059)</b>
<b>Total Net Position - Beginning</b>	<b>265,427</b>	<b>91,864</b>	<b>-</b>	<b>357,291</b>
<b>Total Net Position - Ending</b>	<b>\$ 58,398</b>	<b>\$ 51,004</b>	<b>\$ 28,830</b>	<b>\$ 138,232</b>

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



**WALL TOWNSHIP BOARD OF EDUCATION  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2020**

	<b>MAJOR FUNDS</b>			
	<b>BUSINESS-TYPE</b>			
	<b>ACTIVITIES -</b>			
<b>ENTERPRISE</b>				
<b>FUNDS</b>				
	<b>FOOD</b>	<b>BEFORE AND</b>	<b>CHROME</b>	
	<b>SERVICE</b>	<b>AFTER SCHOOL</b>	<b>BOOKS</b>	<b>TOTALS</b>
		<b>PROGRAMS</b>		
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 866,274	\$ 339,599	\$ 28,830	\$ 1,234,703
Payments to Suppliers	(444,550)	(433,683)	-	(878,233)
Net Cash Provided by/(Used for) Operating Activities	(409,651)	(94,084)	28,830	(474,905)
Cash Flows From Noncapital Financing Activities:				
State Sources	8,799	-	-	8,799
Federal Sources	224,491	-	-	224,491
Net Cash Provided by/(Used for) Noncapital Financing Activities	233,290	-	-	233,290
Cash Flows From Investing Activities:				
Interest	-	322	-	322
Net Cash Provided by/(Used for) Investing Activities	-	322	-	322
Net Increase/(Decrease) in Cash & Cash Equivalents	(176,361)	(93,762)	28,830	(241,293)
Balances - Beginning of Year	198,285	120,001	-	318,286
Balances - End of Year	\$ 21,924	\$ 26,239	\$ 28,830	\$ 76,993
<b>Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:</b>				
Operating Income/(Loss)	\$ (505,825)	\$ (86,182)	\$ 28,830	\$ (563,177)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:				
Depreciation	15,061	-	-	15,061
Food Distribution Program	55,506	-	-	55,506
(Increase)/Decrease in Accounts Receivable, Net	(578)	(1,302)	-	(1,880)
(Increase)/Decrease in Inventories	4,356	-	-	4,356
Increase/(Decrease) in Unearned Revenue	21,829	(13,610)	-	8,219
Increase/(Decrease) in Accounts Payable	-	7,010	-	7,010
Total Adjustments	96,174	(7,902)	-	88,272
Net Cash Provided/(Used) by Operating Activities	\$ (409,651)	\$ (94,084)	\$ 28,830	\$ (474,905)

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

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## **Fiduciary Fund**

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**WALL TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE- PURPOSE SCHOLARSHIP FUND</b>	<b>AGENCY FUNDS</b>
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 314,083	\$ 35,865	\$ 317,964
Total Assets	<u>314,083</u>	<u>35,865</u>	<u>\$ 317,964</u>
<b>LIABILITIES</b>			
Accounts Payable	34,432	-	\$ -
Payable for Student Related Activities	-	-	234,117
Flexible Spending (Sect. 125) Plan	-	-	25,382
Payroll Deductions & Withholdings	-	-	58,165
Total Liabilities	<u>34,432</u>	<u>-</u>	<u>\$ 317,664</u>
<b>NET POSITION</b>			
Restricted - Held in Trust for Unemployment Claims & Other Purposes	279,651	-	
Restricted - Scholarships	-	35,865	
Total Net Position	<u>\$ 279,651</u>	<u>\$ 35,865</u>	

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

**WALL TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE PURPOSE SCHOLARSHIP FUND</b>
<b>ADDITIONS</b>		
Contributions:		
Plan Member	\$ 79,684	\$ -
Other	-	5,048
Total Contributions	<u>79,684</u>	<u>5,048</u>
Investment Earnings:		
Interest	1,157	85
Net Investment Earnings	<u>1,157</u>	<u>85</u>
Total Additions	<u>80,841</u>	<u>5,133</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	69,819	-
Scholarships Awarded	-	14,801
Total Deductions	<u>69,819</u>	<u>14,801</u>
Change in Net Position	11,022	(9,668)
Net Position - Beginning	<u>268,629</u>	<u>45,533</u>
Net Position - Ending	<u>\$ 279,651</u>	<u>\$ 35,865</u>

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

**WALL TOWNSHIP BOARD OF EDUCATION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020**

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

**Basis of Presentation**

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

**Reporting Entity**

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grades levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The School District has an approximate enrollment at June 30, 2020 of 3,311 students.

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

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

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

**Component Units**

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB 61, The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34, and GASB 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14. The School District had no component units as of for the year ended June 30, 2020.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

**A. Government-Wide Financial Statements**

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

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

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

**B. Governmental Fund Financial Statements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

The School District reports the following major governmental funds:

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

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

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

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

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

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

**C. Proprietary Fund Financial Statements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

The School District reports the following major proprietary fund:

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

The School District reports the following non-major proprietary fund:

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

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

**D. Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Net Position. The School District’s fiduciary funds include Agency and Private-Purpose Trust Funds. Private Purpose Trust and Agency Funds are used to account for and report assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, and other governments. Private Purpose Trust and Agency Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

The School District reports the following fiduciary funds:

**Private Purpose Trust Funds** - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The School District currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the School District. Expenditures consist of unemployment reimbursement claims.

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

**Agency Funds** - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Budgets/Budgetary Control**

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

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

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

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

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

**Encumbrances**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

**Cash, Cash Equivalents and Investments**

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

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

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

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

**Tuition Receivable/Payable**

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

**Inventories**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Restricted Assets**

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

**Interfund Receivables/Payables**

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

**Capital Assets**

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

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

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

**Compensated Absences**

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

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



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

**Interfund Activity**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Deferred Loss on Refunding Debt**

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Pensions**

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

**Fund Balance**

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

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

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

**Net Position**

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

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

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

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

**Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 29, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, please see Note 19.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2020:

*Statement No. 95, Postponement of The Effective Dates of Certain Authoritative Guidance*, provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

- Statement No. 84, *Fiduciary Activities* will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 87, *Leases* will be effective for reporting periods beginning after June 15, 2021.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* will be effective for reporting periods beginning after December 15, 2020.
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, will be effective for reporting periods beginning after December 15, 2019.
- Statement No. 91, *Conduit Debt Obligations* will be effective for reporting periods beginning after
- Statement No. 93, *Replacement of Interbank Offered Rates* will be effective for reporting periods
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements* will be effective for
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal*

Management has not yet determined the potential impact on the School Districts financial statements.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 2. Deposits and Investments**

**Deposits**

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the School District’s bank balance of \$15,930,894 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	14,636,326
Uninsured and Uncollateralized		1,294,568
Total	\$	15,930,894

**Investments**

The School District had no investments at June 30, 2020.

**Note 3. Reserve Accounts**

**Capital Reserve**

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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	\$	5,724,804
Increased by:		
Deposits Approved by Board		2,915,316
		8,640,120
Decreased by:		
Budget Withdrawals		3,457,000
Ending Balance, June 30, 2020	\$	5,183,120

Maintenance Reserve

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

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

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

Beginning Balance, July 1, 2019	\$	1,031,099
Increased by:		
Deposits Approved by Board		606,353
		1,637,452
Decreased by:		
Budget Withdrawals		500,000
Ending Balance, June 30, 2020	\$	1,137,452

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

Emergency Reserve

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

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

Beginning Balance, July 1, 2019	\$	1,279,000
Increased by:		
Deposits Approved by Board		183,950
		1,462,950
Decreased by:		
Budget Withdrawals		695,000
		767,950
Ending Balance, June 30, 2020	\$	767,950

**Note 4. Accounts Receivable**

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2020, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	General Fund	Special Revenue Fund	Capital Projects Fund	
Federal Awards	\$ -	\$ 171,494	\$ -	\$ 171,494
State Awards	578,973	3,349	937,389	1,519,711
Other	131,426	-	-	131,426
Total	\$ 710,399	\$ 174,843	\$ 937,389	\$ 1,822,631

<u>Description</u>	Proprietary Funds		Total Business-Type Activities
	Food Service Fund	Before And After School Programs Fund	
Federal Awards	\$ 17,556	\$ -	\$ 17,556
State Awards	2,356	-	2,356
Other	10,000	47,444	57,444
Total	\$ 29,912	\$ 47,444	\$ 77,356

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 5. Capital Assets**

Capital assets activity for the year ended June 30, 2020 was as follows:

	Governmental Activities			
	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 534,652	\$ -	\$ -	\$ 534,652
Construction in Progress	405,323	-	(405,323)	-
Total Capital Assets not being depreciated	<u>939,975</u>	-	(405,323)	<u>534,652</u>
Capital Assets being depreciated:				
Buildings and Building Improvements	53,693,135	3,055,031	405,323	57,153,489
Improvements Other Than Buildings	2,280,531	-	-	2,280,531
Machinery and Equipment	10,225,915	910,196	(289,698)	10,846,413
Total Capital Assets being depreciated	<u>66,199,581</u>	<u>3,965,227</u>	<u>115,625</u>	<u>70,280,433</u>
Less: Accumulated Depreciation:				
Buildings and Building Improvements	(21,081,556)	(1,233,721)	-	(22,315,277)
Improvements Other Than Buildings	(1,951,080)	(52,885)	-	(2,003,965)
Machinery and Equipment	(7,088,715)	(589,722)	289,698	(7,388,739)
Total Accumulated Depreciation	<u>(30,121,351)</u>	<u>(1,876,328)</u>	<u>289,698</u>	<u>(31,707,981)</u>
Total Capital Assets being depreciated, net	<u>36,078,230</u>	<u>2,088,899</u>	<u>405,323</u>	<u>38,572,452</u>
Total Governmental Activities Capital Assets, net	<u>\$ 37,018,205</u>	<u>\$ 2,088,899</u>	<u>\$ -</u>	<u>\$ 39,107,104</u>
<b>Business-Type Activities</b>				
	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
<b>Business-Type Activities:</b>				
Machinery and Equipment	\$ 593,727	\$ -	\$ -	\$ 593,727
Total Capital Assets being depreciated	<u>593,727</u>	-	-	<u>593,727</u>
Less: Accumulated Depreciation:				
Machinery and Equipment	(511,717)	(15,061)	-	(526,778)
Total Capital Assets being depreciated, net	<u>(511,717)</u>	<u>(15,061)</u>	<u>-</u>	<u>(526,778)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 82,010</u>	<u>\$ (15,061)</u>	<u>\$ -</u>	<u>\$ 66,949</u>



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

<u>Governmental Activities</u>	
Instruction:	
Regular Instruction	\$ 694,911
Special Education Instruction	327,526
Vocational Education	20,144
Other Instruction	33,495
School Sponsored Cocurricular/Athletics	37,865
Support Services:	
Student & Instruction Related Services	240,926
General Administrative	28,932
School Administrative Services	100,031
Central Services	23,283
Administrative Info. Technology	21,561
Plant Operations & Maintenance	205,662
Pupil Transportation	141,991
Total Depreciation Expense - Governmental Activities	\$ 1,876,327
 <u>Business-Type Activities</u>	
Food Service Fund	\$ 15,061
Total Depreciation Expense - Business-Type Activities	\$ 2,653,774

**Note 6. Interfund Receivables, Payables and Transfers**

There was no interfund receivables/payables balances at June 30, 2020.

A summary of interfund transfers is as follows:

<u>Fund</u>	Transfer <u>In</u>	Transfer <u>Out</u>
General Fund	\$ -	\$ 55,000
Food Service Fund	40,000	-
Before and After School Programs	10,000	-
	\$ 50,000	\$ 55,000

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 7. Long-Term Obligations**

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

	Balance <u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2020</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
Bonds Payable	\$ 13,005,000	\$ -	\$ 2,525,000	\$ 10,480,000	\$ 2,660,000
Capital Leases	1,100,329	-	313,189	787,140	240,736
Unamortized Bond					
Premiums	923,643	-	272,528	651,115	225,736
Compensated Absences	1,758,790	55,125	-	1,813,915	-
Net Pension Liability	23,491,524	-	2,138,639	21,352,885	-
	<u>\$ 40,279,286</u>	<u>\$ 55,125</u>	<u>\$ 5,249,356</u>	<u>\$ 35,085,055</u>	<u>\$ 3,126,472</u>

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

**Bonds Payable**

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

During July 2012, the School District issued \$3,790,000 of Pension Refunding Bonds. The Pension Refunding Bonds were issued at an interest rate of 4.202% and matures on July 15, 2027.

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,660,000	\$ 450,278	\$ 3,110,278
2022	2,435,000	324,958	2,759,958
2023	2,460,000	203,281	2,663,281
2024	2,505,000	79,894	2,584,894
2025-2028	420,000	35,927	455,927
	<u>\$ 10,480,000</u>	<u>\$ 1,094,338</u>	<u>\$ 11,574,338</u>

**Capital Lease Payable**

The School District is leasing buses and equipment under capital leases. All capital leases are for terms of five years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2020:

Fiscal Year Ending June 30,	<u>Total</u>
2021	\$ 261,020
2022	261,018
2023	198,201
2024	111,821
	<u>832,060</u>
Total Minimum Lease Payments	832,060
Less: Amount Representing Interest	<u>(44,920)</u>
Present Value of Minimum Lease Payments	<u>\$ 787,140</u>

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

**Bonds Authorized but not Issued**

As of June 30, 2020, the School District had no bonds authorized but not issued.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 8. Pension Plans**

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

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

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

The following represents the membership tiers for PERS:

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2020, the School District reported a liability of \$21,352,885 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was 0.11850545%, which was a decrease of 0.0008044453% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$1,168,543.00 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date. 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>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 383,256	\$ 94,328
Changes of Assumptions	2,132,164	7,411,519
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	337,064
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	547,406	1,020,029
School District contributions subsequent to measurement date	1,312,545.00	-
	\$ 4,375,371	\$ 8,862,940

\$1,312,545.00 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2019-2020 total salaries for PERS employees multiplied by an employer pension contribution rate of 15.11%. The payable is due on April 1, 2020 and will be recognized as a reduction of the net pension liability in the year ended 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:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

<b>Year Ending June 30,</b>	
2021	\$ 456,906
2022	(1,766,472)
2023	(2,105,982)
2024	(978,568)
2025	(93,453)
	<u>\$ (4,487,569)</u>

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
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	-	5.73
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 District Contributions		
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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Actuarial Assumptions** – The collective total pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of July 1, 2017, which was rolled forward to June 30, 2018. This actuarial valuation used the following assumptions:

Inflation Rate	2.75%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2014 - June 30, 2018

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.

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

<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** - 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 June 30, 2019 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 will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members 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.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective 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:



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

	<b>At 1% Decrease <u>(5.28%)</u></b>	<b>At Current Discount Rate <u>(6.28%)</u></b>	<b>At 1% Increase <u>(7.28%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ 27,159,801	\$ 21,352,885	\$ 16,733,452

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 3,149,522,616	\$ 4,684,852,302
Collective Deferred Inflows of Resources	7,645,087,574	7,646,736,226
Collective Net Pension Liability	18,143,832,135	19,689,501,539
School District's portion	0.11851%	0.11931%

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

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

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

The following represents the membership tiers for TPAF:

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$174,625,526. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.2844510465%, which was a decrease of 0.0072920048% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized a pension expense in the amount of \$10,299,880 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2019 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

Inflation Rate	2.75%
Salary Increases:	
2011-2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the 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.

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

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF’s target asset allocation as of June 30, 2019 are summarized in the following table:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

<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** - 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 June 30, 2019 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 will 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.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability of the State as of June 30, 2019 calculated using the discount rate as disclosed above 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:

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

	<b>At 1% Decrease <u>(4.60%)</u></b>	<b>At Current Discount Rate <u>(5.60%)</u></b>	<b>At 1% Increase <u>(6.60%)</u></b>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 205,922,146	\$ 174,625,526	\$ 148,659,214

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

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Collective Deferred Inflows of Resources	17,736,240,054	16,381,811,884
Collective Net Pension Liability	61,519,112,443	63,806,350,446
State's Proportionate Share associated with the District	0.28445%	0.29174%

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

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

Individuals eligible for membership in the DCRP include:

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

For the year ended June 30, 2020, employee contributions totaled \$82,245, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$44,759.

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

**General Information about the OPEB Plan**

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

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

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

**Basis of Presentation**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2018. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

<b>Inflation Rate</b>	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 3.05% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on years of service	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Postretirement mortality rates were based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2019.

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.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$134,670,363. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.322725446%, which was a decrease of 0.0041585705% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$3,320,125.00 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Health Care Trend Assumptions**

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 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 rates 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% decreasing to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend is 5.0%.

**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.

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

The following presents the total nonemployer OPEB liability as of June 30, 2019 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2019</b>		
	<u>At 1%</u> <u>Decrease (2.5%)</u>	<u>At Discount</u> <u>Rate (3.5%)</u>	<u>At 1%</u> <u>Increase (4.5%)</u>
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 159,098,917	\$ 134,670,363	\$ 115,265,659
State of New Jersey's Total Nonemployer OPEB Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

The following presents the total nonemployer OPEB liability as of June 30, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:



**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

	<b>June 30, 2019</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 110,962,377	\$ 134,670,363	\$ 166,054,869
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

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

**Additional Information**

Collective balances of the Local Group at June 30, 2020 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected & Actual Experience	\$ -	\$ (10,484,965,300)
Change in Assumptions	-	(8,481,529,343)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ -	\$ (18,966,494,643)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2020	\$ (2,546,527,182)
2021	(2,546,527,182)
2022	(2,546,527,182)
2023	(2,546,527,182)
2024	(2,546,527,182)
Thereafter	(6,233,858,733)
	\$ (18,966,494,643)

\*\* Employer Contributions made after June 30, 2019 are reported as a deferred outflow of resources, but are not amortized in expense.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

**Plan Membership**

At June 30, 2018, the Program membership consisted of the following:

Active Plan Members	216,892
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	148,051
	364,943

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

**Total OPEB Liability**

Service Cost	\$	1,734,404,850
Interest Cost		1,827,787,206
Difference Between Expected & Actual Experience		(7,323,140,818)
Changes of Assumptions		622,184,027
Contributions: Member		37,971,171
Gross Benefit Payments		(1,280,958,373)
Net Change in Total OPEB Liability		(4,381,751,937)
Total OPEB Liability (Beginning)		46,110,832,982
Total OPEB Liability (Ending)	\$	41,729,081,045
Total Covered Employee Payroll		13,929,083,479.00
Net OPEB Liability as a Percentage of Payroll		300%

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for normal costs, post-retirement medical costs, and long-term disability were \$2,387,347, \$6,435,215 and \$5,945, respectively.

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 11. Risk Management**

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

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

Estimates of claims payable and of claims incurred, but not reported (IBNR) at June 30, 2020, are reported as claims and judgments payable and accrued liability for insurance claims, respectively. These estimates were determined based on claim information supplied by the claims administrator and actuary. The unpaid claims liability of \$1,850,052 reported at June 30, 2020 is based on the requirements of the *Governmental Accounting Standards* Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

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

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

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020	\$ 80,841	\$ 69,819	\$ 279,651
2019	78,657	51,387	268,629
2018	77,185	96,515	241,359

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2020 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 13. Deferred Compensation**

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

AXA Equitable  
Security Benefit

Lincoln Financial Life  
Valic

Met Life

**Note 14. Compensated Absences**

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

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2020, the liability for compensated absences reported was \$1,813,915.

**Note 15. Tax Abatements**

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

**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2020 (Continued)**

**Note 15. Tax Abatements (Continued)**

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

**Note 16. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 was \$-0-.

**Note 17. Fund Balances**

**General Fund** – Of the \$11,573,996 General Fund fund balance at June 30, 2020, \$5,183,120 has been restricted for the Capital Reserve Account; \$1,137,452 has been restricted for the Maintenance Reserve Account; \$767,950 has been restricted for Emergency Reserve Account; \$3,161,694 has been assigned to other purposes; and \$1,323,780 has been unassigned.

**Capital Projects Fund** – Of the \$251,202 Capital Projects Fund fund balance at June 30, 2020, \$251,200 is restricted for future capital projects approved by the School District.

**Debt Service Fund** – Of the \$1 Debt Service Fund fund balance at June 30, 2020, \$1 is restricted for future debt service payments.

**Note 18. Deficit in Net Position**

**Unrestricted Net Position** – The School District governmental activities had a deficit in unrestricted net position in the amount of \$24,734,199 at June 30, 2020. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2020. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 19. Subsequent Events**

The District has evaluated subsequent events occurring after June 30, 2020 through January 29, 2021 which is the date the financial statements were available to be issued, and noted the following:

During the year ended June 30, 2020, the COVID-19 Corona Virus spread across the State of New Jersey and the Nation as a whole. Although the effects of the virus are still ongoing, the District does not expect it to have a material impact on its financial position.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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

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WALL TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:					
Local Sources:					
Local Tax Levy	10-1210	\$ 65,973,388	\$ -	\$ 65,973,388	\$ -
Tuition From Individuals	10-1310	159,000	-	159,000	41,806
Tuition From LEAs Within State	10-1320	700,000	-	700,000	234,530
Transportation Fees from Other LEA's	10-1420	5,000	-	5,000	(4,650)
Interest	10-1510	80,000	-	80,000	15,963
Rents and Royalties	10-1910	140,000	-	140,000	(106,440)
Miscellaneous	10-1950	84,863	-	84,863	162,341
Total Local Sources		67,142,251	-	67,142,251	343,550
State Sources:					
Categorical Transportation Aid	10-3121	1,204,850	-	1,204,850	-
Extraordinary Aid	10-3131	150,000	-	150,000	436,188
Categorical Special Education Aid	10-3132	2,640,958	-	2,640,958	286,188
Categorical Security Aid	10-3177	341,937	-	341,937	-
Other Unrestricted State Aid	10-3190	15,061	-	15,061	10,841
Nonbudgeted:					
TPAF - Post Retirement Medical (Noncash Assistance)		-	-	-	2,387,347
TPAF - Pension Contributions (Noncash Assistance)		-	-	-	6,435,215
TPAF - Long-Term Disability Insurance (Noncash Assistance)		-	-	-	5,945
Reimbursed TPAF Social Security Contributions		-	-	-	2,348,279
Total State Sources		4,352,806	-	4,352,806	11,473,815
Federal Sources:					
Medicaid Reimbursement	10-4200	68,238	-	68,238	35,072
Total Federal Sources		68,238	-	68,238	(33,166)
Total Revenues		71,563,295	-	71,563,295	83,347,494
Current Expense:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	11-110-100-101	810,950	86,000	896,950	889,873
Grades 1-5 - Salaries of Teachers	11-120-100-101	6,151,197	231,402	6,382,599	7,077
Grades 6-8 - Salaries of Teachers	11-130-100-101	4,448,218	63,564	4,511,782	-
Grades 9-12 - Salaries of Teachers	11-140-100-101	7,308,537	(327,761)	6,980,776	13,113
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	147,400	-	147,400	47,012
Purchased Professional - Educational Services	11-150-100-320	35,000	(7,500)	27,500	7,420
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	42,055	1,305	43,360	8,887
Purchased Professional - Educational Services	11-190-100-320	195,300	13,000	208,300	-
Other Purchased Services	11-190-100-500	116,900	-	116,900	180,891
					83,933
					27,409
					32,967

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
General Supplies	11-190-100-610	1,329,100	(2,422)	1,326,678	1,127,693	198,985
Textbooks	11-190-100-640	66,000	(22,604)	43,396	41,115	2,281
Other Objects	11-190-100-800	2,500	-	2,500	1,018	1,482
Total Regular Programs - Instruction		20,653,157	34,984	20,688,141	20,341,508	346,633
Special Education - Instruction: Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	250,070	7,630	257,700	257,700	-
Other Salaries for Instruction	11-204-100-106	126,669	(10,804)	115,865	115,553	312
General Supplies	11-204-100-610	85,000	(7,000)	78,000	74,633	3,367
Total Learning and/or Language Disabilities		461,739	(10,174)	451,565	447,886	3,679
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	122,150	13,771	135,921	135,372	549
Other Salaries for Instruction	11-209-100-106	80,317	25,824	106,141	106,141	-
General Supplies	11-209-100-610	13,000	(9,000)	4,000	2,268	1,732
Total Behavioral Disabilities		215,467	30,595	246,062	243,781	2,281
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	398,570	70,551	469,121	469,121	-
Other Salaries for Instruction	11-212-100-106	146,632	7,529	154,161	154,161	-
General Supplies	11-212-100-610	25,000	(1,400)	23,600	19,918	3,682
Other Purchased Services	11-212-100-500	-	700	700	342	358
Total Multiple Disabilities		570,202	77,380	647,582	643,542	4,040
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	5,761,486	(58,089)	5,703,397	5,700,410	2,987
Other Salaries	11-213-100-106	657,034	61,350	718,384	698,549	19,835
General Supplies	11-213-100-610	45,600	-	45,600	42,146	3,454
Total Resource Room/Resource Center		6,464,120	3,261	6,467,381	6,441,105	26,276
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	244,470	7,477	251,947	251,947	-
Other Salaries for Instruction	11-215-100-106	139,292	(9,003)	130,289	130,289	-
General Supplies	11-215-100-610	3,675	1,000	4,675	3,918	757
Total Preschool Disabilities - Part-Time		387,437	(526)	386,911	386,154	757
Total Special Education - Instruction		8,098,965	100,536	8,199,501	8,162,468	37,033
Basic Skills/Remedial-Instruction Salaries of Teachers	11-230-100-101	775,890	22,013	797,903	797,771	132

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Total Basic Skills/Remedial-Instruction		775,890	22,013	797,903	797,771	132
Bilingual Education-Instruction:						
Salaries of Teachers	11-240-100-101	238,570	5,985	244,555	244,555	-
General Supplies	11-240-100-610	2,000	-	2,000	-	2,000
Total Bilingual Education-Instruction		240,570	5,985	246,555	244,555	2,000
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:						
Salaries	11-401-100-100	301,022	21,504	322,526	314,280	8,246
Supplies and Materials	11-401-100-600	-	250	250	-	250
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		301,022	21,754	322,776	314,280	8,496
School-Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	649,942	-	649,942	638,638	11,304
Purchased Services	11-402-100-500	185,046	(21,504)	163,542	144,779	18,763
Supplies and Materials	11-402-100-600	98,730	(250)	98,480	80,643	17,837
Total School-Sponsored Athletics - Instruction		933,718	(21,754)	911,964	864,060	47,904
Undistributed Expenditures - Instruction (Tuition):						
Tuition to Other LEAs Within State - Special	11-000-100-562	50,211	-	50,211	50,211	-
Tuition to County Vocational School - Regular	11-000-100-563	499,905	(5,725)	494,180	481,464	12,716
Tuition to County Vocational School - Special	11-000-100-564	148,850	5,725	154,575	145,415	9,160
Tuition to County Special Services & Regular Day Schools	11-000-100-565	409,499	-	409,499	354,722	54,777
Tuition to Private School Disabled Within State	11-000-100-566	1,647,590	50,000	1,697,590	1,624,957	72,633
Total Undistributed Expenditures - Instruction (Tuition)		2,756,055	50,000	2,806,055	2,656,769	149,286
Undistributed Expenditures Attendance and Social Work:						
Salaries	11-000-211-100	34,275	1,355	35,630	35,630	-
Salary of Family Liaisons	11-000-211-173	608,000	6,350	614,350	613,935	415
Total Undistributed Expenditures Attendance and Social Work		642,275	7,705	649,980	649,565	415
Undistributed Expenditures - Health Services:						
Salaries	11-000-213-100	549,760	16,472	566,232	566,232	-
Purchased Professional & Technical Services	11-000-213-300	19,000	(6,092)	12,908	-	12,908
Other Purchased Services	11-000-213-500	3,000	20,000	23,000	7,898	15,102
Supplies and Materials	11-000-213-600	25,000	9,000	34,000	29,811	4,189
Total Undistributed Expenditures - Health Services		596,760	39,380	636,140	603,941	32,199

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	829,059	10,420	839,479	837,052
Purchased Professional - Educational Services	11-000-216-320	229,145	(12,000)	217,145	167,707
Supplies and Materials	11-000-216-600	3,775	1,700	5,475	4,057
					1,418
Total Undistributed Expenditures -					
Speech, OT, PT and Related Services		1,061,979	120	1,062,099	1,008,816
					53,283
Other Support Services - Students - Extra Services:					
Salaries	11-000-217-100	1,045,079	15,698	1,060,777	1,039,255
Purchased Professional Educational Services	11-000-217-320	152,905	35,001	187,906	132,078
Supplies and Materials	11-000-217-600	15,000	-	15,000	989
Other Objects	11-000-217-800	14,000	-	14,000	6,441
					7,559
Total Other Support Services - Students - Extra Services		1,226,984	50,699	1,277,683	1,178,763
					98,920
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	701,122	3,158	704,280	704,280
Salaries of Secretaries & Clerical Assistants	11-000-218-105	230,520	(23,825)	206,695	206,695
Supplies and Materials	11-000-218-600	27,490	615	28,105	20,436
					7,669
Total Undistributed Expenditures - Guidance		959,132	(20,052)	939,080	931,411
					7,669
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	1,564,512	(24,785)	1,539,727	1,472,356
Salaries of Secretaries & Clerical Assistants	11-000-219-105	188,575	(32,681)	155,894	155,894
Other Purchased Professional & Technical Services	11-000-219-390	89,164	(32,000)	57,164	46,504
Miscellaneous Purchased Services	11-000-219-592	5,400	-	5,400	1,990
Supplies and Materials	11-000-219-600	32,500	-	32,500	19,328
					13,172
Total Undistributed Expenditures - Child Study Teams		1,880,151	(89,466)	1,790,685	1,696,072
					94,613
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	731,486	(36)	731,450	731,448
Other Purchased Services	11-000-221-500	3,500	-	3,500	-
Supplies and Materials	11-000-221-600	3,000	-	3,000	1,582
Other Objects	11-000-221-800	3,000	-	3,000	2,886
					114
Total Undistributed Expenditures - Improvement of Instruction Services		740,986	(36)	740,950	735,916
					5,034
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	300,377	9,082	309,459	309,459
Other Purchased Services	11-000-222-500	13,000	-	13,000	7,941
					5,059

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Supplies and Materials	11-000-222-600	69,161	1,104	70,265	64,402	5,863
Total Undistributed Expenditures - Educational Media Services/Library		382,538	10,186	392,724	381,802	10,922
Undistributed Expenditures - Instructional Staff Training Services:						
Other Salaries	11-000-223-110	3,000	5,000	8,000	6,806	1,194
Other Purchased Services	11-000-223-500	63,900	(7,500)	56,400	26,270	30,130
Purchased Professional - Educational Services	11-000-223-600	2,500	-	2,500	1,662	838
Total Undistributed Expenditures - Instructional Staff Training Services		69,400	(2,500)	66,900	34,738	32,162
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	443,951	(6,494)	437,457	437,457	-
Legal Services	11-000-230-331	125,000	-	125,000	111,160	13,840
Audit Fees	11-000-230-332	44,000	2,945	46,945	46,945	-
Architectural/Engineering Services	11-000-230-334	12,000	500	12,500	7,600	4,900
Other Purchased Professional Services	11-000-230-339	54,500	16,544	71,044	52,865	18,179
Communications/Telephone	11-000-230-550	146,100	(100)	146,000	90,008	55,992
BOE Other Purchased Professional Services	11-000-230-585	4,500	-	4,500	1,112	3,388
Other Purchased Services	11-000-230-590	73,400	45,460	118,860	113,997	4,863
General Supplies	11-000-230-610	14,250	82	14,332	7,444	6,888
Judgements Against School District	11-000-230-820	50,000	(50,000)	-	-	-
Miscellaneous Expenditures	11-000-230-890	5,000	(71)	4,929	3,487	1,442
BOE Membership Dues and Fees	11-000-230-895	29,000	-	29,000	28,263	737
Total Undistributed Expenditures - Support Services - General Administration		1,001,701	8,866	1,010,567	900,338	110,229
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	1,663,780	(18,502)	1,645,278	1,645,274	4
Salaries of Other Professional Staff	11-000-240-104	709,962	10,710	720,672	720,670	2
Salaries of Secretaries & Clerical Assistants	11-000-240-105	665,271	8,378	673,649	669,713	3,936
Unused Vacation Payment to Staff	11-000-240-199	-	2,620	2,620	2,620	-
Other Purchased Services	11-000-240-500	22,525	7,150	29,675	14,507	15,168
Supplies and Materials	11-000-240-600	80,485	(615)	79,870	59,187	20,683
Other Objects	11-000-240-800	1,550	-	1,550	929	621
Total Undistributed Expenditures - Support Services - School Administration		3,143,573	9,741	3,153,314	3,112,900	40,414
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	557,479	-	557,479	556,697	782

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Purchased Professional Services	11-000-251-330	138,887	770	139,657	4,949
Miscellaneous Purchased Services	11-000-251-592	31,900	(770)	31,130	16,477
Supplies and Materials	11-000-251-600	24,000	-	24,000	6,938
Other Objects	11-000-251-890	1,500	-	1,500	79
<b>Total Undistributed Expenditures - Central Services</b>		<b>753,766</b>	<b>-</b>	<b>753,766</b>	<b>29,225</b>
Undistributed Expenditures - Administrative Information Technology:					
Salaries	11-000-252-100	398,799	574	399,373	-
Purchased Technical Services	11-000-252-340	341,400	-	341,400	85,680
Other Purchased Services	11-000-252-500	4,000	(274)	3,726	1,197
Supplies and Materials	11-000-252-600	15,000	(300)	14,700	1,346
<b>Total Undistributed Expenditures - Administrative Information Technology</b>		<b>759,199</b>	<b>-</b>	<b>759,199</b>	<b>88,223</b>
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair & Maintenance Services	11-000-261-420	449,000	(71,000)	378,000	187,256
General Supplies	11-000-261-610	154,000	42,000	196,000	86,419
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>		<b>603,000</b>	<b>(29,000)</b>	<b>574,000</b>	<b>273,675</b>
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	2,781,242	1,787	2,783,029	31,547
Salaries of Non-Instructional Aids	11-000-262-107	416,214	6,391	422,605	15,505
Purchased Professional & Technical Services	11-000-262-300	21,000	34,000	55,000	23,133
Cleaning, Repair & Maintenance Services	11-000-262-420	238,465	(59,245)	179,220	49,446
Rental of Land & Buildings, Other Than Lease	11-000-262-441	50,400	-	50,400	564
Other Purchased Property Services	11-000-262-490	185,000	7,831	192,831	3,661
Insurance	11-000-262-520	587,000	(13,092)	573,908	21,493
Travel	11-000-262-580	1,000	-	1,000	538
Miscellaneous Purchased Services	11-000-262-590	2,700	550	3,250	10
General Supplies	11-000-262-610	254,600	50,000	304,600	51,273
Energy (Natural Gas)	11-000-262-621	378,725	25,000	403,725	58,872
Energy (Electricity)	11-000-262-622	675,000	(32,831)	642,169	73,761
Other Objects	11-000-262-800	3,000	-	3,000	2,875
<b>Total Undistributed Expenditures - Custodial Services</b>		<b>5,594,346</b>	<b>20,391</b>	<b>5,614,737</b>	<b>332,678</b>
Undistributed Expenditures - Care and Upkeep of Grounds:					
Cleaning, Repair & Maintenance Services	11-000-263-420	160,000	(11,889)	148,111	23,371
General Supplies	11-000-263-610	55,500	(4,422)	51,078	6,054



WALL TOWNSHIP BOARD OF EDUCATION  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Total Undistributed Expenditures - Care and Upkeep of Grounds		215,500	(16,311)	199,189	169,764	29,425
Security:						
Salaries	11-000-266-100	624,045	(27,986)	596,059	596,059	-
Purchased Professional & Technical Services	11-000-266-300	40,772	(3,368)	37,404	37,404	-
Cleaning, Repair & Maintenance	11-000-266-420	22,224	(11,628)	10,596	7,960	2,636
General Supplies	11-000-266-610	7,500	(1,040)	6,460	6,460	-
Total Security		694,541	(44,022)	650,519	647,883	2,636
Undistributed Expenditures - Student Transportation Services:						
Salaries of Non-Instructional Aides	11-000-270-107	230,521	(26,350)	204,171	184,572	19,599
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,416,981	(65,557)	1,351,424	1,337,209	14,215
Salaries of Pupil Transportation (Between Home & School) - Special Education	11-000-270-161	520,955	(36,759)	484,196	475,200	8,996
Salaries of Pupil Transportation (Other Than Between Home & School) - Regular	11-000-270-162	65,000	-	65,000	46,637	18,363
Salaries of Pupil Transportation (Between Home & School) - Nonpublic	11-000-270-163	53,224	1,168	54,392	54,392	-
Other Purchased Professional & Technical Services	11-000-270-390	80,500	-	80,500	68,672	11,828
Cleaning, Repair & Maintenance Services	11-000-270-420	120,519	(2,000)	118,519	80,290	38,229
Lease Purchase Payments - School Buses	11-000-270-443	334,500	-	334,500	316,140	18,360
Contract Services (Aide in Lieu) - Non Public Schools	11-000-270-503	70,000	-	70,000	61,197	8,803
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	20,000	(1,000)	19,000	6,420	12,580
Contract Services (Special Education) - Joint Agreements	11-000-270-514	13,753	-	13,753	13,753	-
Contract Services (Special Education) - ESC's	11-000-270-515	78,374	-	78,374	60,836	17,538
Contract Services (Regular) ESC's	11-000-270-517	618,255	-	618,255	567,320	50,935
Contract Services (Special Education) - ESC's	11-000-270-518	980,858	-	980,858	847,588	133,270
Miscellaneous Purchased Services - Transportation	11-000-270-593	61,000	14,397	75,397	75,124	273
General Supplies	11-000-270-610	7,500	3,500	11,000	8,062	2,938
Transportation Supplies	11-000-270-615	325,542	(500)	325,042	215,054	109,988
Miscellaneous Expenditures	11-000-270-800	1,500	-	1,500	200	1,300
Total Undistributed Expenditures - Student Transportation Services		4,998,982	(113,101)	4,885,881	4,418,666	467,215
Unallocated Benefits:						
Group Insurance	11-000-291-210	17,000	-	17,000	14,626	2,374
Social Security Contributions	11-000-291-220	1,000,000	1,283	1,001,283	1,001,283	-
Other Retirement Contributions - PERS	11-000-291-241	1,311,752	(108,579)	1,203,173	1,120,034	83,139
Other Retirement Contributions - Regular	11-000-291-249	50,000	-	50,000	49,795	205
Workmen's Compensation	11-000-291-260	635,000	(40,965)	594,035	590,149	3,886
Health Benefits	11-000-291-270	10,581,555	(1)	10,581,554	8,204,258	2,377,296
Tuition Reimbursement	11-000-291-280	27,000	(2,899)	24,101	14,389	9,712
Other Employee Benefits	11-000-291-290	374,160	32,876	407,036	407,036	-
Unused Sick Payment to Staff	11-000-291-299	34,253	2,900	37,153	37,153	-
Total Unallocated Benefits		14,030,720	(115,385)	13,915,335	11,438,723	2,476,612

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	ACCOUNT NUMBERS	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:					
TPAF - Post Retirement Medical (Noncash Assistance)		-	-	2,387,347	(2,387,347)
TPAF - Pension Contributions (Noncash Assistance)		-	-	6,435,215	(6,435,215)
TPAF - Long-Term Disability Insurance (Noncash Assistance)		-	-	5,945	(5,945)
Reimbursed TPAF Social Security Contributions		-	-	2,348,279	(2,348,279)
Total Undistributed Expenditures		42,111,588	(232,785)	41,878,803	(6,841,951)
Total Expenditures - Current Expense		73,114,910	(69,267)	73,045,643	(6,399,753)
Equipment:					
Grades 1-5	12-120-100-730	5,634	2,046	7,680	5,634
Grades 6-8	12-130-100-730	-	3,172	3,172	3,172
Grades 9-12	12-140-100-730	-	9,049	9,049	9,049
School-Sponsored & Other Instructional Programs	12-400-100-730	20,000	-	20,000	13,805
Undistributed Expenditures:					
Non-Instructional Services	12-000-300-730	299,982	-	299,982	254,200
Total Equipment		325,616	14,267	339,883	285,860
Facilities Acquisition & Construction Services:					
Architectural/Engineering Services	12-000-400-334	521,034	(287,326)	233,708	210,036
Construction Services	12-000-400-450	4,205,515	287,326	4,492,841	2,844,994
Assessment for Debt Service on SDA Funding	12-000-400-896	7,780	-	7,780	7,780
Total Facilities Acquisition & Construction Services		4,734,329	-	4,734,329	3,062,810
Assets Acquired Under Capital Leases (Non-Budgeted):					
Assets Acquired Under Capital Leases (Non-Budgeted)		530,000	-	530,000	530,000
Total Assets Acquired Under Capital Leases (Non-Budgeted)		530,000	-	530,000	530,000
Total Capital Outlay		5,589,945	14,267	5,604,212	3,878,670
Total Expenditures		78,704,855	(55,000)	78,649,855	83,324,066
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(7,141,560)	55,000	(7,086,560)	23,428
Other Financing Sources/(Uses):					
Transfers In/(Out):					
Transfers to Cover Deficit (Enterprise Funds)		-	(55,000)	(55,000)	(55,000)
Cancellation of Prior Year Accounts Payable		-	-	-	43,141
					7,109,988

WALL TOWNSHIP BOARD OF EDUCATION  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

ACCOUNT NUMBERS	JUNE 30, 2020		VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	
	-	(55,000)	43,141
Total Other Financing Sources/(Uses)		(55,000)	
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)	(7,141,560)	(7,141,560)	7,153,129
Fund Balances, July 1	11,969,122	11,969,122	-
Fund Balances, June 30	\$ 4,827,562	\$ 4,827,562	\$ 7,153,129

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 5,183,120
Maintenance Reserve	1,137,452
Emergency Reserve	767,950
Assigned Fund Balance:	
Year-End Encumbrances	1,835,158
Designated for Subsequent Year's Expenditures	1,326,536
Unassigned Fund Balance	1,730,475
Subtotal	11,980,691
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payments not recognized on GAAP basis	(406,695)
Fund Balance per Governmental Funds (GAAP)	\$ 11,573,996

EXHIBIT C-2

WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020

	JUNE 30, 2020			VARIANCE
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	FINAL TO ACTUAL (OVER)/ UNDER
Revenues:				
Local Sources	\$ -	\$ 20,578	\$ 20,578	\$ 2,306
State Sources	70,000	36,533	106,533	90,185
Federal Sources	1,296,970	178,127	1,475,097	1,272,978
Total Revenues	1,366,970	235,238	1,602,208	1,365,469
Expenditures:				
Instruction:				
Salaries of Teachers	1,240,000	(1,003,033)	236,967	194,340
Purchased Professional - Educational Services	-	21,438	21,438	6,533
Tuition	-	780,000	780,000	780,000
General Supplies	16,000	155,614	171,614	106,831
Other Objects	-	8,810	8,810	1,359
Total Instruction	1,256,000	(37,171)	1,218,829	1,089,063
Support Services:				
Salaries of Other Professional Staff	56,970	2,078	59,048	42,857
Personal Services - Employee Benefits	-	31,567	31,567	25,652
Purchased Educational Services	54,000	198,795	252,795	180,452
Supplies and Materials	-	36,968	36,968	21,414
Other Objects	-	3,000	3,000	-
Total Support Services	110,970	272,408	383,378	276,406
Total Expenditures	1,366,970	235,238	1,602,208	1,365,469
Total Outflows	1,366,970	235,238	1,602,208	1,365,469
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ 0

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET TO GAAP RECONCILIATION  
YEAR ENDED JUNE 30, 2020**

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

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 83,347,494	\$ 1,365,469
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	-	294,528
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(406,695)	-
Prior Year	844,160	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 83,784,959	\$ 1,659,997
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 83,324,066	\$ 1,365,469
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	294,528
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 83,324,066	\$ 1,659,997

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.118505457%	0.119309900%	0.1231854896%	0.1262608098%	0.1178796684%	0.1181117181%	0.1121304449%
School District's proportionate share of the net pension liability	\$ 21,352,885.00	\$ 23,491,524.00	\$ 28,675,613.00	\$ 37,394,830.00	\$ 26,461,623.00	\$ 22,114,767.00	\$ 21,430,356.00
School District's covered payroll	\$ 8,621,065.00	\$ 8,153,611.00	\$ 8,621,065.00	\$ 8,549,704.00	\$ 8,383,906.00	\$ 8,019,520.00	\$ 8,070,828.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	247.68%	288.11%	332.62%	437.38%	315.62%	275.76%	265.53%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 1,152,709.00	\$ 1,186,748.00	\$ 1,141,182.00	\$ 1,121,683.00	\$ 1,013,449.00	\$ 973,741.00	\$ 844,880.00
Contributions in relation to the contractually required contribution	(1,152,709.00)	(1,186,748.00)	(1,141,182.00)	(1,121,683.00)	(1,013,449.00)	(973,741.00)	(844,880.00)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 8,621,065.00	\$ 8,153,611.00	\$ 8,226,051.00	\$ 8,549,704.00	\$ 8,383,906.00	\$ 8,019,520.00	\$ 8,070,828.00
Contributions as a percentage of covered payroll	13.37%	14.55%	13.87%	13.12%	12.09%	12.14%	10.47%

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

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

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 174,625,526.00	\$ 185,600,663.00	\$ 199,684,015.00	\$ 222,510,730.00	\$ 177,241,722.00	\$ 141,063,164.00	\$ 137,997,158.00
	\$ 174,625,526.00	\$ 185,600,663.00	\$ 199,684,015.00	\$ 222,510,730.00	\$ 177,241,722.00	\$ 141,063,164.00	\$ 137,997,158.00
School District's covered payroll	\$ 29,014,898.00	\$ 30,807,887.00	\$ 29,422,617.00	\$ 29,685,953.00	\$ 29,563,236.00	\$ 28,637,933.00	\$ 27,789,670.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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**EXHIBIT M-1**

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

	2020	2019	2018
<b>District's Total OPEB Liability</b>			
Service Cost	\$ 5,796,526	\$ 6,532,628	\$ 7,828,298
Interest Cost	5,980,651	6,394,505	5,525,917
Difference between Expected & Actual Differences	(25,832,267)	(15,023,438)	-
Changes of Assumptions	2,007,946	(17,296,901)	(22,989,673)
Contributions: Member	122,543	139,298	168,117
Gross Benefit Payments	(4,133,979)	(4,030,438)	(4,565,617)
Net Change in District's Total OPEB Liability	(16,058,580)	(23,284,346)	(14,032,958)
District's Total OPEB Liability (Beginning)	150,728,943	174,013,289	188,046,247
District's Total OPEB Liability (Ending)	<u>\$ 134,670,363</u>	<u>\$ 150,728,943</u>	<u>\$ 174,013,289</u>
District's Covered Employee Payroll	\$ 37,635,963	\$ 38,961,498	\$ 37,648,668
District's Net OPEB Liability as a Percentage of Payroll	358%	387%	462%

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

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

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

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**WALL TOWNSHIP BOARD OF EDUCATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2020**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 4.86% as of June 30, 2018, to 5.60% as of June 30, 2019.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.66% as of June 30, 2018, to 6.28% as of June 30, 2019.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 3.50% as of June 30, 2018, to 3.87% as of June 30, 2019.

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

Not Applicable

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**E. Special Revenue Fund**

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**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

	Title I	Title IIA	Title III	Title III - Immigrant	I.D.E.A. - Basic
Revenues:					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	312,378	41,926	24,159	826	832,191
<b>Total Revenues</b>	<b>\$ 312,378</b>	<b>\$ 41,926</b>	<b>\$ 24,159</b>	<b>\$ 826</b>	<b>\$ 832,191</b>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 184,672	\$ 252	\$ 7,328	\$ 768	\$ -
Purchased Professional - Educational Services	-	-	-	-	6,533
Other Purchased Services (400-500 Series)	-	-	-	-	780,000
General Supplies	53,927	-	16,270	-	-
<b>Total Instruction</b>	<b>238,599</b>	<b>252</b>	<b>23,598</b>	<b>768</b>	<b>786,533</b>
Support Services:					
Salaries of Other Professional Staff	42,857	-	-	-	-
Personal Services - Employee Benefits	24,913	19	561	58	-
Purchased Educational Services	-	41,565	-	-	41,040
Supplies and Materials	6,009	90	-	-	4,618
<b>Total Support Services</b>	<b>73,779</b>	<b>41,674</b>	<b>561</b>	<b>58</b>	<b>45,658</b>
<b>Total Expenditures</b>	<b>\$ 312,378</b>	<b>\$ 41,926</b>	<b>\$ 24,159</b>	<b>\$ 826</b>	<b>\$ 832,191</b>

**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

	I.D.E.A. - Preschool	Non Public Ch. 192 Auxiliary	Non Public Textbook	Non Public Nursing	Non Public Ch. 193 Handicapped
<b>Revenues:</b>					
State Sources	\$ -	\$ 2,433	\$ 10,697	\$ 15,167	\$ 24,249
Federal Sources	46,432	-	-	-	-
<b>Total Revenues</b>	<b>\$ 46,432</b>	<b>\$ 2,433</b>	<b>\$ 10,697</b>	<b>\$ 15,167</b>	<b>\$ 24,249</b>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Other Purchased Services (400-500 Series)	\$ -	\$ -	\$ -	\$ -	\$ -
General Supplies	4,000	-	-	-	-
Textbooks	-	-	-	-	-
<b>Total Instruction</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Educational Services	42,432	2,433	-	15,167	24,249
Other Purchased Services (400-500 Series)	-	-	-	-	-
Transportation	-	-	-	-	-
Supplies and Materials	-	-	10,697	-	-
<b>Total Support Services</b>	<b>42,432</b>	<b>2,433</b>	<b>10,697</b>	<b>15,167</b>	<b>24,249</b>
<b>Facilities Acquisition &amp; Construction Services:</b>					
Noninstructional Equipment	-	-	-	-	-
<b>Total Facilities Acquisition &amp; Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 46,432</b>	<b>\$ 2,433.00</b>	<b>\$ 10,697</b>	<b>\$ 15,167</b>	<b>\$ 24,249</b>



**WALL TOWNSHIP BOARD OF EDUCATION  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

	Non Public Technology	Non Public Security Aid	Advanced Computer Science Grant	Title IV	Local Grants	Totals
<b>Revenues:</b>						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ 2,306	\$ 2,306.00
State Sources	3,526	30,187	3,926	-	-	90,185
Federal Sources	-	-	-	15,066	-	1,272,978
<b>Total Revenues</b>	<b>\$ 3,526</b>	<b>\$ 30,187</b>	<b>\$ 3,926</b>	<b>\$ 15,066</b>	<b>\$ 2,306.00</b>	<b>\$ 1,365,469</b>
<b>Expenditures:</b>						
<b>Instruction:</b>						
Salaries of Teachers	\$ -	\$ -	\$ 1,320	\$ -	\$ -	\$ 194,340
General Supplies	-	30,187	-	1,500	947	106,831
Textbooks	-	-	-	-	-	-
Other Objects	-	-	-	-	1,359	1,359
<b>Total Instruction</b>	<b>-</b>	<b>30,187</b>	<b>1,320</b>	<b>1,500</b>	<b>2,306</b>	<b>1,089,063</b>
<b>Support Services:</b>						
Salaries of Other Professional Staff	-	-	-	-	-	42,857
Personal Services - Employee Benefits	-	-	101	-	-	25,652
Purchased Educational Services	-	-	-	13,566	-	180,452
Other Purchased Services (400-500 Series)	3,526	-	2,505	-	-	6,031
Transportation	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	21,414
<b>Total Support Services</b>	<b>3,526</b>	<b>-</b>	<b>2,606</b>	<b>13,566</b>	<b>-</b>	<b>276,406</b>
<b>Total Expenditures</b>	<b>\$ 3,526</b>	<b>\$ 30,187</b>	<b>\$ 3,926</b>	<b>\$ 15,066</b>	<b>\$ 2,306</b>	<b>\$ 1,365,469</b>

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**F. Capital Projects Fund**

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**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2020**

Year	Project Title / Issue	Original Appropriations	Expenditures to Date		Unexpended Balance June 30, 2020
			Prior Years	Current Year	
2014	HVAC -West Belmar	\$ 154,803	\$ 141,606	\$ -	\$ 13,197
2014	Emergency Generators-Various Schools	424,297	386,150	-	38,147
2014	Front Entrance Modifications-Various Schools	422,506	400,335	-	22,171
2015	Security Upgrades-Carious Schools	638,792	631,276	-	7,516
2015	Roof Replacement-Various Schools	639,682	498,206	-	141,476
2016	Phone System- Various Schools	458,300	449,134	-	9,166
2016	Public Address Systems - Various Schools	1,933,000	1,894,341	-	38,659
<b>Total</b>		<b>\$ 4,671,380</b>	<b>\$ 4,401,048</b>	<b>\$ -</b>	<b>\$ 270,332</b>
Fund Balance, Budgetary Basis					\$ 270,332
Less: Unrealized SDA Grants					(19,130)
Fund Balance, GAAP Basis					<u>\$ 251,202</u>
Reconciliation of Fund Balance					
Restricted					
Year-End Encumbrances					\$ 47,826
Available for Capital Projects					<u>203,376</u>
Total Fund Balance-Restricted for Capital Projects					<u>\$ 251,202</u>

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2020**

Fund Balance, July 1	\$	270,332
		<u>270,332</u>
Fund Balance, June 30	\$	270,332
		<u><u>270,332</u></u>
Reconconciliation to Governmental Fund Statements (GAAP)		
Fund Balance per Governmental Funds (Budgetary)	\$	270,332
Less: SDA Grant Revenues Not Recognized on GAAP Basis		<u>(19,130)</u>
		<u>251,202</u>
Fund Balance per Governmental Funds (GAAP)	\$	<u><u>251,202</u></u>

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
HVAC-WEST BELMAR  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 68,039	\$ -	\$ 68,039	\$ 68,039
Local Sources - Transfer from Capital Outlay	86,764	-	86,764	86,764
Total Revenues and Other Financing Sources	154,803	-	154,803	154,803
Expenditures and Other Financing Uses:				
Construction Services	141,606	-	141,606	154,803
Total Expenditures and Other Financing Uses	141,606	-	141,606	154,803
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 13,197	\$ -	\$ 13,197	\$ -

Additional Project Information:

Project Number	5420-080-14-1006-G04
Grant Date	1/6/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 234,000
Additional Authorized Cost	79,197
Revised Authorized Cost	154,803
Percentage Increase over Original Authorized Cost	-66.16%
Percentage Completion	91.47%
Revised Target Completion Date	2014/15

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
EMERGENCY GENERATORS  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 179,105	\$ -	\$ 179,105	\$ 179,105
Local Sources - Transfer from Capital Outlay	245,192	-	245,192	245,192
	424,297	-	424,297	424,297
Total Revenues and Other Financing Sources				
Expenditures and Other Financing Uses:				
Construction Services	386,150	-	386,150	424,297
	386,150	-	386,150	424,297
Total Expenditures and Other Financing Uses				
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 38,147	\$ -	\$ 38,147	\$ -

Additional Project Information:

		<u>Original Authorized Cost</u>	<u>Revised Authorized Cost</u>
Project Number			
Primary School	5420-078-14-1004-G04	\$ 204,880	\$ 69,929
Allenwood Elementary School	5420-078-14-1001-G04	204,800	87,813
Central Elementary School	5420-078-14-1002-G04	204,800	91,813
Old Mill Elementary School	5420-078-14-1003-G04	204,800	72,929
West Belmar Elementary School	5420-078-14-1005-G04	204,800	101,813
		\$ 1,024,080	\$ 424,297
Grant Date		1/6/2013	
Bond Authorization Date		N/A	
Bonds Authorized		N/A	
Original Authorized Cost		\$ 1,024,000	
Additional Authorized Cost		599,703	
Revised Authorized Cost		424,297	
Percentage Increase over Original Authorized Cost		-41.44%	
Percentage Completion		91.01%	
Revised Target Completion Date		2014/15	



**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
FRONT DOOR MODIFICATION  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 161,672	\$ -	\$ 161,672	\$ 161,672
Local Sources - Transfer from Capital Outlay	260,834	-	260,834	260,834
<b>Total Revenues and Other Financing Sources</b>	<b>422,506</b>	<b>-</b>	<b>422,506</b>	<b>422,506</b>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Service	42,835	-	42,835	42,835
Construction Services	357,500	-	357,500	379,671
<b>Total Expenditures and Other Financing Uses</b>	<b>400,335</b>	<b>-</b>	<b>400,335</b>	<b>422,506</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 22,171	\$ -	\$ 22,171	\$ -

Additional Project Information:

Project Number	Original Authorized Cost	Revised Authorized Cost
Wall Intermediate School	5420-075-14-1021-G04 \$ 94,000	\$ 77,135
West Belmar Elementary School	5420-080-14-1038-G04 37,500	36,559
Old Mill Elementary School	5420-077-14-1029-G04 75,000	65,246
Central Elementary School	5420-070-14-1020-G04 75,000	64,011
Allenwood Elementary School	5420-060-14-1014-G04 103,750	92,725
Primary School	5420-078-14-1030-G04 15,000	14,462
Wall Township High School	5420-050-14-1009-G04 75,000	72,368
	\$ 475,250	\$ 422,506
Grant Date	7/10/2014	
Bond Authorization Date	N/A	
Bonds Authorized	N/A	
Original Authorized Cost	\$ 475,250	
Additional Authorized Cost	52,744	
Revised Authorized Cost	422,506	
Percentage Increase over Original Authorized Cost	-88.90%	
Percentage Completion	94.75%	
Revised Target Completion Date	2014/15	

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
SECURITY UPGRADES  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 252,392	\$ -	\$ 252,392	\$ 252,392
Local Sources - Transfer from Capital Outlay	386,400	-	386,400	386,400
	638,792	-	638,792	638,792
Total Revenues and Other Financing Sources				
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Service	50,667	-	50,667	50,667
Construction Services	580,609	-	580,609	588,125
	631,276	-	631,276	638,792
Total Expenditures and Other Financing Uses				
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 7,516	\$ -	\$ 7,516	\$ -

Additional Project Information:

<u>Project Number</u>		<u>Authorized Cost</u>
	Wall Intermediate School	\$ 125,479
	West Belmar Elementary School	86,170
	Old Mill Elementary School	70,048
	Central Elementary School	87,083
	Allenwood Elementary School	77,308
	Primary School	32,704
	Wall Township High School	160,000
		\$ 638,792
	Grant Date	1/16/2014
	Bond Authorization Date	N/A
	Bonds Authorized	N/A
	Original Authorized Cost	\$ 644,000
	Additional Authorized Cost	5,208
	Revised Authorized Cost	638,792
	Percentage Increase over Original Authorized Cost	-99.19%
	Percentage Completion	98.82%
	Revised Target Completion Date	2014/15

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
ROOF REPLACEMENTS  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 199,282	\$ -	\$ 199,282	\$ 199,282
Local Sources - Transfer from Capital Outlay	440,400	-	440,400	440,400
Total Revenues and Other Financing Sources	639,682	-	639,682	639,682
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Service	57,126	-	57,126	57,126
Construction Services	441,080	-	441,080	582,556
Total Expenditures and Other Financing Uses	498,206	-	498,206	639,682
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 141,476	\$ -	\$ 141,476	\$ -

Additional Project Information:

Project Number	Authorized Cost
West Belmar Elementary School	\$ 66,110
Central Elementary School	316,317
Allenwood Elementary School	70,621
Primary School	186,634
	\$ 639,682
Grant Date	1/16/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 734,000
Additional Authorized Cost	94,318
Revised Authorized Cost	639,682
Percentage Increase over Original Authorized Cost	-87.15%
Percentage Completion	77.88%
Revised Target Completion Date	2014/15

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
PHONE SYSTEM  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 183,320	\$ -	\$ 183,320	\$ 183,320
Local Sources - Transfer from Capital Outlay	274,980	-	274,980	274,980
	<hr/>		<hr/>	
Total Revenues and Other Financing Sources	458,300	-	458,300	458,300
Expenditures and Other Financing Uses:				
Construction Services	449,134	-	449,134	458,300
	<hr/>		<hr/>	
Total Expenditures and Other Financing Uses	449,134	-	449,134	458,300
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<hr/> <hr/> \$ 9,166	<hr/> <hr/> \$ -	<hr/> <hr/> \$ 9,166	<hr/> <hr/> \$ -

Additional Project Information:

Project Number	Authorized Cost
Wall Intermediate School	\$ 110,000
West Belmar Elementary School	35,000
Old Mill Elementary School	49,500
Central Elementary School	49,000
Allenwood Elementary School	44,000
Primary School	6,300
Wall Township High School	164,500
	<hr/>
	\$ 458,300
Grant Date	1/6/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Original Authorized Cost	\$ 458,300
Additional Authorized Cost	-
Revised Authorized Cost	458,300
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	98.00%
Original Target Completion Date	2016/2017
Revised Target Completion Date	2019/2020

**WALL TOWNSHIP BOARD OF EDUCATION  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGETARY BASIS  
PUBLIC ADDRESS SYSTEM  
YEAR ENDED JUNE 30, 2020**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State - Regular Operating District Grants	\$ 773,200	\$ -	\$ 773,200	\$ 773,200
Local Sources - Transfer from Capital Outlay	1,159,800	-	1,159,800	1,159,800
<b>Total Revenues and Other Financing Sources</b>	<b>1,933,000</b>	<b>-</b>	<b>1,933,000</b>	<b>1,933,000</b>
Expenditures and Other Financing Uses:				
Construction Services	1,894,341	-	1,894,341	1,933,000
<b>Total Expenditures and Other Financing Uses</b>	<b>1,894,341</b>	<b>-</b>	<b>1,894,341</b>	<b>1,933,000</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 38,659	\$ -	\$ 38,659	\$ -

Project Number	<u>Additional Project Information:</u>	
	Authorized Cost	
Wall Intermediate School	\$ 473,000	
West Belmar Elementary School	150,000	
Old Mill Elementary School	210,000	
Central Elementary School	210,000	
Allenwood Elementary School	188,000	
Wall Township High School	702,000	
	<u>\$ 1,933,000</u>	
Grant Date		1/6/2014
Bond Authorization Date		N/A
Bonds Authorized		N/A
Original Authorized Cost	\$ 1,933,000	
Additional Authorized Cost	-	
Revised Authorized Cost		1,933,000
Percentage Increase over Original Authorized Cost		0.00%
Percentage Completion		98.00%
Original Target Completion Date		2016/2017
Revised Target Completion Date		2019/2020

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## **H. Fiduciary Fund**

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**WALL TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2020**

	TRUST		AGENCY		
	PRIVATE- PURPOSE	TRUST	PAYROLL	STUDENT	
	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP FUND	FUND	ACTIVITY FUND	AGENCY TOTALS
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 314,083	\$ 35,865	\$ 83,547	\$ 234,417	\$ 317,964
Total Assets	<u>\$ 314,083</u>	<u>\$ 35,865</u>	<u>\$ 83,547</u>	<u>\$ 234,417</u>	<u>\$ 317,964</u>
<b>LIABILITIES</b>					
Accounts Payable	34,432	-	-	-	-
Payable for Student Related Activities	-	-	-	234,117	234,117
Flexible Spending (Sect. 125) Plan	-	-	25,382	-	25,382
Payroll Deductions & Withholdings	-	-	58,165	-	58,165
Total Liabilities	<u>34,432</u>	<u>-</u>	<u>83,547</u>	<u>234,117</u>	<u>317,664</u>
<b>NET POSITION</b>					
Restricted - Held in Trust for Unemployment Claims & Other Purposes	279,651	-			279,651
Restricted - Scholarships	-	35,865			35,865
Total Net Position	<u>\$ 279,651</u>	<u>\$ 35,865</u>			<u>\$ 315,516</u>

EXHIBIT H-2

**WALL TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2020**

	<b>UNEMPLOYMENT COMPENSATION TRUST</b>	<b>PRIVATE- PURPOSE SCHOLARSHIP FUND</b>	<b>TOTAL TRUST</b>
<b>ADDITIONS</b>			
Contributions:			
Plan Member	\$ 79,684	\$ -	\$ 79,684
Other	-	5,048	5,048
Total Contributions	79,684	5,048	84,732
Investment Earnings:			
Interest	1,157	85	1,242
Net Investment Earnings	1,157	85	1,242
Total Additions	80,841	5,133	85,974
<b>DEDUCTIONS</b>			
Unemployment Claims	69,819	-	69,819
Scholarships Awarded	-	14,801	14,801
Total Deductions	69,819	14,801	84,620
Change in Net Position	11,022	(9,668)	1,354
Net Position - Beginning	268,629	45,533	314,162
Net Position - Ending	\$ 279,651	\$ 35,865	\$ 315,516

**WALL TOWNSHIP BOARD OF EDUCATION  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2020**

	<b>BALANCE JUNE 30, 2019</b>	<b>CASH RECEIPTS</b>	<b>CASH DISBURSEMENTS</b>	<b>BALANCE JUNE 30, 2020</b>
Elementary Schools:				
Wall Central	\$ 6,058	\$ 12	\$ -	\$ 6,070
Total Elementary Schools	6,058	12	-	6,070
Middle Schools				
Wall Intermediate School	60,427	286,909	268,626	78,710
Athletic Account	5,554	12,000	11,725	5,829
Total Middle Schools	65,981	298,909	280,351	84,539
High Schools:				
Wall High School	196,151	218,799	276,493	138,457
Athletic Account	630	107,388	102,967	5,051
Total High Schools	196,781	326,187	379,460	143,508
Total All Schools	\$ 268,820	\$ 625,108	\$ 659,811	\$ 234,117

**WALL TOWNSHIP BOARD OF EDUCATION  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2020**

	<b>BALANCE JUNE 30, 2019</b>	<b>CASH RECEIPTS</b>	<b>CASH DISBURSEMENTS</b>	<b>BALANCE JUNE 30, 2020</b>
<b>ASSETS</b>				
Cash & Cash Equivalents	\$ 48,000	\$ 53,241,353	\$ 53,205,806	\$ 83,547
Total Assets	\$ 48,000	\$ 53,241,353	\$ 53,205,806	\$ 83,547
<b>LIABILITIES</b>				
Payroll Deductions & Withholdings	29,816	23,957,983	23,986,332	58,165
Accrued Salaries and Wages	-	29,113,673	29,113,673	-
Flexible Spending (Sect. 125) Account	18,184	134,150	141,348	25,382
Total Liabilities	\$ 48,000	\$ 53,205,806	\$ 53,241,353	\$ 83,547

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

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WALL TOWNSHIP BOARD OF EDUCATION  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS PAYABLE  
 YEAR ENDED JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2019	RETIRED	BALANCE JUNE 30, 2020
			DATE	AMOUNT				
Pension Refunding Bonds	7/3/2012	\$ 3,790,000	7/15/2020	\$ 430,000	4.202%	\$ 1,530,000	\$ 410,000	\$ 1,120,000
			7/15/2021	85,000	4.202%			
			7/15/2022	90,000	4.202%			
			7/15/2023	95,000	4.202%			
			7/15/2024	100,000	4.202%			
			7/15/2025	105,000	4.202%			
			7/15/2026	105,000	4.202%			
			7/15/2027	110,000	4.202%			
School Refunding Bonds	4/22/2015	17,515,000	7/15/2020	2,230,000	5.000%	11,475,000	2,115,000	9,360,000
			7/15/2021	2,350,000	5.000%			
			7/15/2022	2,370,000	5.000%			
			7/15/2023	2,410,000	5.000%			
Total						\$ 13,005,000	\$ 2,525,000	\$ 10,480,000

EXHIBIT I-2

WALL TOWNSHIP BOARD OF EDUCATION  
 LONG-TERM DEBT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 YEAR ENDED JUNE 30, 2020

PURPOSE	AMOUNT OF LEASE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2019	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2020
Various Equipment	\$ 70,000	2.493%	\$ 14,380	\$ 14,380	\$ -
2016 School Buses (4)	267,000	2.110%	54,078	54,078	-
2017 School Buses (4)	300,000	2.150%	180,635	58,935	121,700
2019 School Buses (5)	405,000	2.980%	321,235	76,807	244,428
2020 School Buses (7)	530,000	2.466%	530,000	108,989	421,011
Total			\$ 1,100,328	\$ 313,189	\$ 787,139



WALL TOWNSHIP BOARD OF EDUCATION  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2020

	JUNE 30, 2020			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,340,889	\$ -	\$ 2,340,889	\$ -
State Sources:				
Debt Service Aid Type II	750,088	-	750,088	-
Total Revenues	3,090,977	-	3,090,977	-
Expenditures:				
Regular Debt Service:				
Interest	565,977	-	565,977	-
Redemption of Principal	2,525,000	-	2,525,000	-
Total Regular Debt Service	3,090,977	-	3,090,977	-
Total Expenditures	3,090,977	-	3,090,977	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Fund Balance, July 1,	1	-	1	-
Fund Balance, June 30,	1	-	1	-

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**STATISTICAL SECTION (Unaudited)**

Third Section

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**Financial Trends Information**

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

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Governmental Activities:</b>										
Net Investment in										
Capital Assets	\$ 27,294,108.00	\$ 23,668,548.00	\$ 22,614,140.00	\$ 20,341,432.00	\$ 17,202,958.00	\$ 16,176,888.00	\$ 13,242,009.00	\$ 12,332,608.00	\$ 10,479,420.00	\$ 5,020,977.00
Restricted	7,339,725.00	7,007,106.00	7,879,125.00	6,045,607.00	5,712,617.00	4,409,297.00	4,312,842.00	4,452,232.00	3,543,636.00	900,001.00
Unrestricted (Deficit)	(24,734,199.00)	(26,374,370.00)	(28,363,547.00)	(28,205,105.00)	(25,626,679.00)	(24,643,354.00)	(23,633,352.00)	(2,778,148.00)	(3,817,074.00)	(4,124,667.00)
<b>Total Governmental Activities</b>	\$ 9,899,634.00	\$ 4,301,284.00	\$ 2,129,718.00	\$ (1,818,066.00)	\$ (2,711,104.00)	\$ (4,057,169.00)	\$ (6,078,701.00)	\$ 14,006,692.00	\$ 10,205,982.00	\$ 1,796,311.00
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 66,949.00	\$ 82,010.00	\$ 94,376.00	\$ 109,259.00	\$ 96,696.00	\$ 110,091.00	\$ 124,473.00	\$ 136,138.00	\$ 144,719.00	\$ 115,315.00
Unrestricted (Deficit)	71,283.00	275,281.00	210,122.00	181,057.00	96,832.00	22,394.00	28,543.00	74,313.00	190,941.00	343,426.00
<b>Total Business-Type Activities</b>	\$ 138,232.00	\$ 357,291.00	\$ 304,498.00	\$ 290,316.00	\$ 193,528.00	\$ 132,485.00	\$ 153,016.00	\$ 210,451.00	\$ 335,660.00	\$ 458,741.00
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 27,361,057.00	\$ 23,750,558.00	\$ 22,708,516.00	\$ 20,450,691.00	\$ 17,299,654.00	\$ 16,286,979.00	\$ 13,366,482.00	\$ 12,468,746.00	\$ 10,624,139.00	\$ 5,136,292.00
Restricted	7,339,725.00	7,007,106.00	7,879,125.00	6,045,607.00	5,712,617.00	4,409,297.00	4,312,842.00	4,452,232.00	3,543,636.00	900,001.00
Unrestricted (Deficit)	(24,662,916.00)	(26,099,089.00)	(28,153,425.00)	(28,024,048.00)	(25,529,847.00)	(24,620,960.00)	(23,605,009.00)	(2,703,835.00)	(3,626,133.00)	(3,781,241.00)
<b>Total District Net Position</b>	\$ 10,037,866.00	\$ 4,658,575.00	\$ 2,434,216.00	\$ (1,527,750.00)	\$ (2,517,576.00)	\$ (3,924,684.00)	\$ (5,925,685.00)	\$ 14,217,143.00	\$ 10,541,642.00	\$ 2,255,052.00

Source: CAFR Schedule A-1

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 36,131,686.35	\$ 36,508,007.00	\$ 39,377,966.00	\$ 37,630,745.00	\$ 33,698,651.00	\$ 31,427,530.00	\$ 26,886,838.00	\$ 26,404,404.00	\$ 23,679,968.00	\$ 24,533,774.00
Special Education	17,029,614.78	16,858,330.00	18,001,939.00	17,072,291.00	15,035,647.00	13,806,763.00	11,694,226.00	11,222,939.00	10,601,160.00	10,187,341.00
Vocational - Tuition	805,995.16	620,206.00	631,973.00	593,542.00	590,722.00	600,106.00	654,740.00	647,315.00	527,268.00	559,918.00
Other Instruction	1,741,541.02	1,777,481.00	1,804,832.00	1,651,386.00	1,609,390.00	1,393,728.00	1,141,619.00	1,196,910.00	941,861.00	1,045,098.00
School Sponsored Activities and Athletics	1,515,023.95	2,024,421.00	2,157,394.00	2,036,227.00	1,788,657.00	1,601,878.00	1,279,499.00	1,300,140.00	1,203,233.00	1,257,907.00
Support Services:										
Student & Instruction Related Services	9,639,654.65	11,362,762.00	11,454,012.00	11,073,493.00	9,982,279.00	9,205,306.00	8,809,469.00	8,303,915.00	7,976,619.00	7,461,253.00
General Administration	1,157,589.39	2,986,703.00	2,367,353.00	2,374,618.00	2,199,742.00	2,368,038.00	2,045,764.00	2,326,711.00	2,407,858.00	1,898,407.00
School Administration	4,002,342	4,775,129.00	5,383,818.00	5,172,594.00	4,729,551.00	4,530,340.00	3,913,365.00	3,725,116.00	3,911,563.00	4,218,653.00
Plant Operations & Maintenance	7,921,174.11	8,635,521.00	8,213,055.00	8,476,832.00	7,452,065.00	7,079,295.00	7,207,497.00	6,380,777.00	6,812,914.00	6,958,237.00
Student Transportation	\$5,681,202	5,819,040.00	5,869,426.00	5,644,337.00	5,036,208.00	4,904,733.00	4,999,220.00	5,074,791.00	4,357,476.00	4,572,641.00
Business/Central and Other Support Services	1,794,253.92	1,858,143.00	1,857,613.00	1,428,365.00	1,582,559.00	1,642,036.00	1,620,047.00	1,485,789.00	2,068,366.00	1,735,668.00
Charter Schools									35,105.00	24,208.00
Interest and Charges on Long-Term Debt	303,090.00	364,205.00	418,974.00	413,056.00	866,935.00	913,993.00	1,075,778.00	1,188,740.00	1,390,293.00	1,485,207.00
Total Governmental Activities	87,723,167.00	93,589,948.00	97,538,355.00	93,567,486.00	84,572,406.00	79,473,746.00	71,328,062.00	69,257,547.00	65,913,684.00	65,938,312.00
Expenses										
Business-Type Activities:										
Food Service	1,350,848	1,494,552	1,507,486.00	1,489,665.00	1,484,453.00	1,469,775.00	1,483,915.00	1,554,034.00	1,643,042.00	1,662,029.00
Before and After School Programs	440,693.00	473,708.00	416,661.00	383,074.00	303,791.00	14,002.00	8,636.00	3,525.00	4,923.00	8,128.00
Total Business-Type Activities	1,791,541.00	1,968,260.00	1,924,147.00	1,872,739.00	1,788,244.00	1,483,777.00	1,492,551.00	1,557,559.00	1,647,965.00	1,670,157.00
Expense										
Total District Expenses	\$ 89,514,708.00	\$ 95,558,208.00	\$ 99,462,502.00	\$ 95,440,225.00	\$ 86,360,650.00	\$ 80,957,523.00	\$ 72,820,613.00	\$ 70,815,106.00	\$ 67,561,649.00	\$ 67,608,469.00
Program Revenues:										
Charges for Services:										
Instruction (Tuition)	\$ 1,135,336.00	\$ 879,340.00	\$ 620,035.00	\$ 534,055.00	\$ 411,075.00	\$ 411,303.00	\$ 348,355.00	\$ 247,878.00	\$ 113,705.00	\$ 133,908.00
Pupil Transportation	350.00	4,419.00	-	-	-	-	-	-	-	-
Rentals	33,560.00	120,333.00	109,346.00	111,727.00	44,570.00	25,552.00	20,300.00	16,005.00	12,153.00	19,695.00
Operating Grants & Contributions	17,534,226.00	26,352,905.00	32,776,510.00	27,095,553.00	21,150,066.00	17,563,405.00	10,619,298.00	11,336,418.00	10,183,257.00	7,705,274.00
Capital Grants & Contributions	-	54,872.00	138,688.00	817,496.00	35,109.00	766,032.00	-	-	618,546.00	462,141.00
Total Governmental Activities	18,703,472.00	27,411,869.00	33,644,579.00	28,558,831.00	21,640,820.00	18,766,292.00	10,987,953.00	11,600,301.00	10,927,661.00	8,321,018.00
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	845,023.00	1,268,380.00	1,226,757.00	1,258,939.00	1,243,504.00	1,213,004.00	1,176,974.00	1,193,478.00	1,286,694.00	1,476,526.00
Before and After School Programs	354,511.00	457,439.00	448,023.00	404,372.00	334,296.00	19,080.00	15,100.00	4,475.00	10,775.00	-
Chromebooks	28,830.00	-	-	-	-	-	-	-	-	-
Operating Grants & Contributions	288,796.00	295,234.00	263,549.00	282,717.00	271,487.00	231,162.00	243,042.00	234,397.00	228,166.00	213,031.00
Total Business Type Activities	1,517,160.00	2,021,053.00	1,938,329.00	1,946,028.00	1,849,287.00	1,463,246.00	1,433,116.00	1,432,350.00	1,525,635.00	1,689,557.00
Program Revenues										
Total District Program Revenues	\$ 20,220,632.00	\$ 29,432,922.00	\$ 35,582,908.00	\$ 30,504,859.00	\$ 23,490,107.00	\$ 20,229,538.00	\$ 12,423,069.00	\$ 13,032,651.00	\$ 12,453,296.00	\$ 10,010,575.00
Net (Expense)/Revenue:										



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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities	\$ (69,019,695.00)	\$ (66,178,079.00)	\$ (63,893,776.00)	\$ (65,008,655.00)	\$ (62,931,586.00)	\$ (60,707,454.00)	\$ (60,340,109.00)	\$ (57,657,246.00)	\$ (54,986,023.00)	\$ (57,617,294.00)
Business-Type Activities	(274,381.00)	52,793.00	14,182.00	73,289.00	61,043.00	(20,531.00)	(57,435.00)	(125,209.00)	(122,330.00)	19,400.00
<b>Total District-Wide Net Expense</b>	<b>\$ (69,294,076.00)</b>	<b>\$ (66,125,286.00)</b>	<b>\$ (63,879,594.00)</b>	<b>\$ (64,935,366.00)</b>	<b>\$ (62,870,543.00)</b>	<b>\$ (60,727,985.00)</b>	<b>\$ (60,397,544.00)</b>	<b>\$ (57,782,455.00)</b>	<b>\$ (55,108,353.00)</b>	<b>\$ (57,597,894.00)</b>

General Revenues & Other Changes in Net Position:

Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 65,973,388.00	\$ 65,330,579.00	\$ 64,053,498.00	\$ 62,797,547.00	\$ 60,945,106.00	\$ 59,750,104.00	\$ 58,578,533.00	\$ 58,296,691.00	\$ 57,154,069.00	\$ 55,717,349.00
Taxes Levied for Debt Service	2,340,889.00	2,330,571.00	2,324,431.00	2,319,371.00	2,471,421.00	2,406,906.00	2,450,941.00	2,476,947.00	2,465,751.00	2,452,623.00
State/Federal Aid Sources	5,972,460.00	449,440.00	461,720.00	460,086.00	497,916.00	496,096.00	491,611.00	475,930.00	457,961.00	480,933.00
Investment Earnings	95,963.00	88,398.00	41,107.00	7,995.00	-	-	-	845.00	461.00	12,160.00
Miscellaneous Income	235,345.00	150,657.00	960,804.00	265,021.00	363,208.00	75,880.00	163,987.00	207,543.00	230,558.00	71,500.00
<b>Total Governmental Activities</b>	<b>74,618,045.00</b>	<b>68,349,645.00</b>	<b>67,841,560.00</b>	<b>65,850,020.00</b>	<b>64,277,651.00</b>	<b>62,728,986.00</b>	<b>61,685,072.00</b>	<b>61,457,956.00</b>	<b>60,308,800.00</b>	<b>58,734,565.00</b>

Business-Type Activities:

Investment Earnings	322.00	-	-	-	-	-	-	-	33.00	986.00
Miscellaneous	55,000.00	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>55,322.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.00</b>	<b>986.00</b>

Total District-Wide

	\$ 74,673,367.00	\$ 68,349,645.00	\$ 67,841,560.00	\$ 65,850,020.00	\$ 64,277,651.00	\$ 62,728,986.00	\$ 61,685,072.00	\$ 61,457,956.00	\$ 60,308,833.00	\$ 58,735,551.00
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Change in Net Position:

Governmental Activities	\$ 5,598,350.00	\$ 2,171,566.00	\$ 3,947,784.00	\$ 841,365.00	\$ 1,346,065.00	\$ 2,021,532.00	\$ 1,344,963.00	\$ 3,800,710.00	\$ 5,322,777.00	\$ 1,117,271.00
Business-Type Activities	(219,059.00)	52,793.00	14,182.00	73,289.00	61,043.00	(20,531.00)	(57,435.00)	(125,209.00)	(122,297.00)	20,386.00
<b>Total District</b>	<b>\$ 5,379,291.00</b>	<b>\$ 2,224,359.00</b>	<b>\$ 3,961,966.00</b>	<b>\$ 914,654.00</b>	<b>\$ 1,407,108.00</b>	<b>\$ 2,001,001.00</b>	<b>\$ 1,287,528.00</b>	<b>\$ 3,675,501.00</b>	<b>\$ 5,200,480.00</b>	<b>\$ 1,137,657.00</b>

Source: CAFR Schedule A-2

**WALL TOWNSHIP BOARD OF EDUCATION  
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>General Fund:</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,047.00
Restricted	7,088,522.00	8,034,903.00	8,377,795.00	5,688,945.00	4,349,605.00	4,777,176.00	5,581,124.00	6,277,447.00	3,743,636.00	1,498,501.00
Committed	-	1,679,277.00	412,131.00	554,785.00	473,561.00	-	-	-	-	522,240.00
Assigned	3,161,694.00	810,283.00	465,916.00	113,521.00	250,573.00	380,336.00	481,259.00	420,888.00	1,735,441.00	1,547,986.00
Unassigned	1,323,780.00	600,499.00	854,228.00	851,602.00	838,479.00	756,726.00	777,632.00	639,060.00	742,020.00	965,959.00
<b>Total General Fund</b>	<b>\$ 11,573,996.00</b>	<b>\$ 11,124,962.00</b>	<b>\$ 10,110,070.00</b>	<b>\$ 7,208,853.00</b>	<b>\$ 5,912,218.00</b>	<b>\$ 5,914,238.00</b>	<b>\$ 6,840,015.00</b>	<b>\$ 7,337,395.00</b>	<b>\$ 6,291,000.00</b>	<b>\$ 4,539,733.00</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ 251,203.00	\$ 251,203.00	\$ 196,330.00	\$ 388,575.00	\$ 1,618,425.00	\$ 230,621.00	\$ 614,029.00	\$ 57,096.00		
Assigned	-	-	-	-	-	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>\$ 251,203.00</b>	<b>\$ 251,203.00</b>	<b>\$ 196,330.00</b>	<b>\$ 388,575.00</b>	<b>\$ 1,618,425.00</b>	<b>\$ 230,621.00</b>	<b>\$ 614,029.00</b>	<b>\$ 57,096.00</b>		

Source: CAFR Schedule B-1

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues</b>										
Tax Levy	\$ 68,314,277.00	\$ 67,661,150.00	\$ 66,377,929.00	\$ 65,116,918.00	\$ 63,416,527.00	\$ 62,157,010.00	\$ 61,029,474.00	\$ 60,773,638.00	\$ 59,619,820.00	\$ 58,169,972.00
Tuition Charges	1,135,336.00	879,340.00	620,035.00	534,055.00	411,075.00	411,303.00	348,355.00	247,878.00	113,705.00	133,908.00
Interest Earnings	95,963.00	88,398.00	41,107.00	7,995.00	-	-	-	845.00	461.00	12,160.00
Transportation	350.00	4,419.00	-	-	-	-	-	-	-	-
Rental Fees	33,560.00	120,333.00	109,346.00	111,727.00	44,570.00	25,552.00	20,300.00	16,005.00	12,153.00	19,695.00
Miscellaneous	249,510.00	192,912.00	992,999.00	275,944.00	386,498.00	95,127.00	164,451.00	236,497.00	236,891.00	542,601.00
Slate Sources	17,104,359.00	15,807,660.00	14,474,825.00	13,704,580.00	11,781,724.00	11,437,055.00	9,658,196.00	10,547,280.00	9,387,851.00	7,200,310.00
Federal Sources	1,602,578.00	1,369,401.00	1,335,270.00	1,270,302.00	1,320,511.00	1,294,798.00	1,452,249.00	1,236,114.00	1,865,580.00	976,937.00
<b>Total Revenues</b>	<b>88,535,933.00</b>	<b>86,123,613.00</b>	<b>83,951,511.00</b>	<b>81,021,521.00</b>	<b>77,360,905.00</b>	<b>75,420,845.00</b>	<b>72,673,025.00</b>	<b>73,058,257.00</b>	<b>71,236,461.00</b>	<b>67,055,583.00</b>
<b>Expenditures</b>										
Instruction:										
Regular Instruction	21,625,099.00	31,437,318.00	29,999,268.00	29,244,160.00	28,330,042.00	27,611,387.00	26,785,953.00	26,636,286.00	24,046,276.00	22,643,230.00
Special Education Instruction	10,192,358.00	14,777,835.00	14,233,956.00	13,786,105.00	12,971,052.00	12,393,841.00	11,689,276.00	11,314,962.00	10,735,197.00	10,000,663.00
Vocational Education - Tuition	626,879.00	620,206.00	631,973.00	593,542.00	590,722.00	600,106.00	654,740.00	647,315.00	527,268.00	559,918.00
Other Instruction	1,042,326.00	1,518,521.00	1,360,592.00	1,266,809.00	1,341,752.00	1,215,187.00	1,140,986.00	1,209,783.00	958,176.00	1,019,174.00
School Sponsored Activities & Athletics	1,178,340.00	1,767,414.00	1,686,985.00	1,621,365.00	1,535,470.00	1,430,623.00	1,278,933.00	1,311,222.00	1,220,598.00	1,231,551.00
Support Services:										
Attendance & Social Work Services	649,565	-	-	-	-	-	-	-	-	-
Health Service	603,941	-	-	-	-	-	-	-	-	-
Student & Instruction Related Services	6,243,924.00	10,225,448.00	9,415,559.00	9,390,598.00	9,224,273.00	8,780,042.00	8,666,001.00	8,220,607.00	7,960,582.00	7,259,672.00
General Administration	900,338.00	1,068,454.00	1,074,753.00	1,090,756.00	1,010,506.00	1,229,571.00	1,041,049.00	1,190,212.00	1,396,685.00	1,867,390.00
School Administration	3,112,900.00	4,433,677.00	4,250,464.00	4,208,259.00	4,193,626.00	4,158,822.00	3,911,335.00	3,764,603.00	3,976,702.00	4,149,223.00
Plant Operations & Maintenance	6,400,031.00	8,158,837.00	7,249,392.00	7,634,816.00	7,212,942.00	6,985,188.00	7,191,146.00	6,408,965.00	6,871,107.00	6,755,201.00
Student Transportation	4,418,666.00	5,213,044.00	5,008,659.00	4,914,773.00	4,647,740.00	4,616,572.00	4,788,364.00	4,871,035.00	4,180,808.00	4,478,553.00
Business/Central & Other Support Service:	1,395,517.00	1,742,002.00	1,597,477.00	1,351,770.00	1,520,373.00	1,619,747.00	1,619,340.00	1,498,608.00	2,091,182.00	1,700,434.00
Unallocated Benefits	11,438,723.00	-	-	-	-	-	-	-	-	-
On Behalf TPAF Pension and Social Security Contributions	11,176,786.00	-	-	-	-	-	-	-	-	-
Charter Schools	3,970,890.00	1,686,432.00	1,700,822.00	2,531,137.00	310,619.00	2,894,328.00	913,464.00	1,299,310.00	1,776,062.00	24,208.00
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	2,525,000.00	2,665,816.00	2,578,656.00	2,494,964.00	2,730,213.00	2,391,273.00	2,289,989.00	2,425,617.00	2,314,307.00	2,231,750.00
Interest & Other Charges	573,757.00	673,824.00	753,983.00	825,682.00	692,791.00	1,008,707.00	1,083,524.00	1,241,559.00	1,395,139.00	1,488,300.00
Bond Issuance Costs	-	-	-	-	-	188,580.00	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	387,316.00	-	-	-	-
<b>Total Expenditures</b>	<b>88,075,040.00</b>	<b>85,988,848.00</b>	<b>81,542,539.00</b>	<b>80,954,736.00</b>	<b>76,312,121.00</b>	<b>77,511,290.00</b>	<b>73,054,100.00</b>	<b>72,040,084.00</b>	<b>69,485,194.00</b>	<b>65,555,979.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>449,034.00</b>	<b>134,765.00</b>	<b>2,408,972.00</b>	<b>66,785.00</b>	<b>1,048,784.00</b>	<b>(2,090,445.00)</b>	<b>(381,075.00)</b>	<b>1,018,173.00</b>	<b>1,751,267.00</b>	<b>1,499,604.00</b>
<b>Other Financing Sources/(Uses):</b>										
Cancellation of Payable	43,141.00	-	-	-	-	-	-	-	-	-
Capital Leases (Non-Budgeted)	-	935,000.00	300,000.00	-	337,000.00	205,364.00	440,628.00	-	-	-
Proceeds From Refunding	-	-	-	-	-	17,515,000.00	-	3,790,000.00	-	-
Payments to Escrow Agent	-	-	-	-	-	(19,335,000.00)	-	(3,704,682.00)	-	-
Original Issue Premiums	-	-	-	-	-	2,395,896.00	-	-	-	-
Transfers in	-	-	-	-	1,434,780.00	826,800.00	592,789.00	-	834,347.00	-
Transfers Out	(55,000.00)	-	-	-	(1,434,780.00)	(826,800.00)	(592,789.00)	-	(834,347.00)	-
<b>Total Other Financing Sources/(Uses)</b>	<b>(11,859.00)</b>	<b>935,000.00</b>	<b>300,000.00</b>	<b>300,000.00</b>	<b>337,000.00</b>	<b>781,260.00</b>	<b>440,628.00</b>	<b>85,318.00</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 449,034.00</b>	<b>\$ 1,069,765.00</b>	<b>\$ 2,708,972.00</b>	<b>\$ 66,785.00</b>	<b>\$ 1,385,784.00</b>	<b>\$ (1,309,185.00)</b>	<b>\$ 59,553.00</b>	<b>\$ 1,103,491.00</b>	<b>\$ 1,751,267.00</b>	<b>\$ 1,499,604.00</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>2.97%</b>	<b>3.23%</b>	<b>3.30%</b>	<b>3.21%</b>	<b>3.75%</b>	<b>3.78%</b>	<b>3.29%</b>	<b>3.55%</b>	<b>3.52%</b>	<b>3.61%</b>

Source: CAFR Schedule B-2

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	REIMBURSEMENTS	TUITION	DEMAND RESPONSE	PRIOR YEAR		E-RATE	RENTALS	GRANT PROCEEDS FOR PRIOR YEAR CAPITAL PROJECTS	INSURANCE PROCEEDS	MISCELLANEOUS	TOTAL
					CANCELLED	PAYABLES						
2020	\$ 95,963.00		#####	\$ 43,141.00	\$ 350.00	\$ -	\$ 33,560.00	\$ -	\$ -	\$ -	247,204.00	\$ 1,555,554.00
2019	88,398.00		879,340.00	21,135.00	4,419.00	-	120,333.00	-	-	-	117,947.00	1,243,147.00
2018	41,107.00		620,035.00	16,164.00	759,106.00	-	109,346.00	-	-	-	185,534.00	1,731,292.00
2017	7,995.00		534,055.00	23,246.00	74,708.00	-	111,727.00	-	114,212.00	-	52,855.00	918,798.00
2016	-	77,647.00	411,075.00			\$49,790	44,570.00	174,767.00			61,004.00	818,853.00
2015	-		411,303.00			-	25,552.00	-	-	-	75,880.00	512,735.00
2014	-		348,355.00			-	20,300.00	-	-	-	163,987.00	532,642.00
2013	845.00		247,878.00			-	16,005.00	153,536.00			54,007.00	472,271.00
2012	461.00		113,705.00			-	12,153.00			69,634.00	160,924.00	356,877.00
2011	12,160.00		133,908.00			-	19,695.00			\$462,141	71,500.00	699,404.00

Source: District Records

**Revenue Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2011	\$ 80,704,900	2,866,808,600	\$ 30,777,100	\$ -	\$ 627,511,000	\$ 134,160,200	\$ 22,877,800	\$ 3,762,839,600	\$ 6,012,493	\$ 3,768,832,093	1.564	\$ 6,199,670,684
2012	71,263,300	2,845,399,400	32,001,000	-	618,225,600	144,209,000	22,877,000	3,733,975,300	5,942,434	3,739,919,334	1.610	6,107,506,199
2013	68,210,500	2,830,109,100	30,958,400	854,600	611,628,500	141,333,200	22,142,800	3,705,237,100	5,864,768	3,711,101,868	1.641	5,684,897,675
2014	67,764,300	2,819,263,000	31,125,700	859,900	609,691,300	141,331,000	21,839,600	3,691,874,800	5,325,309	3,697,200,108	1.666	5,614,372,406
2015	65,185,400	2,817,681,600	32,138,900	806,500	607,903,100	139,006,100	24,981,100	3,687,702,700	5,150,110	3,692,852,810	1.700	5,602,708,447
2016	85,540,500	4,505,855,990	46,534,000	765,200	1,014,262,500	240,969,300	46,891,700	5,940,819,190	7,953,969	5,948,773,159	1.080	5,924,070,513
2017	86,395,800	4,498,740,990	44,629,300	764,900	1,014,418,800	240,639,200	46,891,700	5,932,480,690	8,063,235	5,940,543,925	1.107	6,128,451,633
2018	87,939,400	4,505,584,900	41,343,000	760,300	1,056,984,200	256,938,000	46,891,700	5,996,441,500	7,824,535	6,004,266,035	1.123	6,156,959,538
2019	84,756,900	4,519,487,200	39,430,000	719,600	1,059,098,600	228,680,700	46,309,200	5,978,482,200	-	5,978,482,200	1.138	6,348,046,083
2020	86,233,800	4,539,928,100	36,714,700	708,500	1,093,421,500	228,986,100	45,533,400	6,031,526,100	-	6,031,526,100	1.148	6,661,082,532

Source: Monmouth County Board of Taxation

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b. Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

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

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b><u>TOTAL</u></b>	<b><u>SCHOOL DISTRICT</u></b>	<b><u>MUNICIPAL</u></b>	<b><u>COUNTY</u></b>	<b><u>OTHER</u></b>
2011	2.752	1.564	0.655	0.455	0.078
2012	2.819	1.610	0.672	0.470	0.067
2013	2.793	1.641	0.691	0.411	0.050
2014	2.825	1.666	0.708	0.403	0.048
2015	0.745	1.700	0.722	0.416	0.050
2016	1.813	1.080	0.448	0.253	0.032
2017	1.847	1.107	0.453	0.254	0.033
2018	1.884	1.123	0.459	0.256	0.046
2019	1.947	1.138	0.463	0.299	0.047
2020	1.983	1.148	0.463	0.309	0.063

Source: Municipal Tax Assessor

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



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

Taxpayer	2020	
	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
State St Bank C/o NJNG John Leshak	\$ 36,142,900	0.605%
Horizon Blue Cross Blue Shield	33,750,000	0.565%
Wall Herald Corp.	33,585,800	0.562%
RAR2-Wall Towne Center, LLC	33,484,400	0.560%
Androse Assoc. of Allaire, LLC	30,134,700	0.504%
Monmouth Shores Park Realty	29,213,600	0.489%
Sea Girt LP C/o Sher Partners	26,372,100	0.441%
The Atlantic Club, Inc.	22,000,000	0.368%
Tricorne Center Acquisition, LLC	20,658,100	0.346%
Monmouth Shores Park Realty II, LLC	20,410,600	0.341%
Total	<u>\$ 285,752,200.00</u>	<u>4.780%</u>
	2011	
Taxpayer	TAXABLE ASSESSED VALUE	% OF TOTAL DISTRICT NET ASSESSED VALUE
Wall Herald Corporation	\$ 37,551,700	0.987%
Mack-Cali Corp.	24,976,900	0.657%
Horizon Blue Cross Blue Shield	19,621,700	0.516%
State St Bank C/O NJNG	17,600,000	0.463%
What's Your Racquet, Inc.	17,551,400	0.461%
Individual #1	14,231,600	0.374%
Levcorn Wall Plaza	14,847,200	0.390%
AB Monmouth LLC	13,857,000	0.364%
Androse Assn. of Allaire	13,530,400	0.356%
Monmouth Investors	12,460,900	0.328%
Total	<u>\$ 186,228,800</u>	<u>4.895%</u>

**Source:** Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2011	\$ 58,169,972.00	\$ 55,822,475.00	95.96%	2,347,497.00
2012	59,619,820.00	59,619,820.00	100.00%	-
2013	60,773,638.00	58,909,170.00	96.93%	1,864,468.00
2014	61,029,474.00	61,029,474.00	100.00%	-
2015	62,157,010.00	62,157,010.00	100.00%	-
2016	63,416,527.00	63,416,527.00	100.00%	-
2017	65,116,918.00	65,116,918.00	100.00%	-
2018	66,377,929.00	66,377,929.00	100.00%	-
2019	67,661,150.00	67,661,150.00	100.00%	-
2020	68,314,277.00	68,314,277.00	100.00%	-

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

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

**Debt Capacity Information**

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

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	POPULATION	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES/ LEASE PURCHASE AGREEMENTS			
2011	\$ 32,610,000.00	\$ 888,172.00	\$ 33,498,172.00	26,093	1,283.80
2012	30,715,000.00	468,865.00	31,183,865.00	26,029	1,198.04
2013	28,825,000.00	33,248.00	28,858,248.00	25,992	1,110.27
2014	26,660,000.00	348,887.00	27,008,887.00	25,903	1,042.69
2015	22,575,000.00	427,978.00	23,002,978.00	25,889	888.52
2016	19,985,000.00	624,765.00	20,609,765.00	25,897	795.84
2017	17,740,000.00	374,801.00	18,114,801.00	25,818	701.63
2018	15,420,000.00	416,145.00	15,836,145.00	25,705	616.07
2019	13,005,000.00	1,100,329.00	14,105,329.00	25,705	548.74
2020	10,480,000.00	787,139.00	11,267,139.00	25,722	438.04

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING				NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	DEDUCTIONS				
2011	\$ 32,610,000.00	\$ 888,172.00	\$ -		\$ 32,610,000.00	0.53%	\$ 1,249.76
2012	30,715,000.00	468,865.00	-		30,715,000.00	0.50%	1,180.03
2013	28,825,000.00	33,248.00	-		28,825,000.00	0.51%	1,109.00
2014	26,660,000.00	348,887.00	-		26,660,000.00	0.47%	1,029.22
2015	22,575,000.00	427,978.00	-		22,575,000.00	0.40%	871.99
2016	19,985,000.00	624,765.00	-		19,985,000.00	0.34%	771.71
2017	17,740,000.00	374,801.00	-		17,740,000.00	0.29%	687.12
2018	15,420,000.00	416,145.00	-		15,420,000.00	0.25%	597.81
2019	13,005,000.00	1,100,329.00	-		13,005,000.00	0.20%	508.92
2020	10,480,000.00	787,139.00	-		11,267,139.00	0.17%	440.91

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

See Exhibit J-6 for property tax data.

Population data can be found in Exhibit J-14.

**WALL TOWNSHIP BOARD OF EDUCATION  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020**

	<b>NET DEBT</b>
Municipal Debt:	
Wall Township Board of Education (as of June 30, 2020)	\$ 10,480,000.00
Township of Wall	<u>29,900,976.00</u>
Subtotal, Overlapping Debt	<u>40,380,976.00</u>
Overlapping Debt Apportioned to the Municipality:	
Mounmouth County:	
County of Monmouth	<u>24,741,292.46</u>
Total Direct & Overlapping Debt	<u><u>\$ 65,122,268.46</u></u>

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

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

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

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

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 190,325,093.09	\$ 244,761,800.00	\$ 236,601,951.00	\$ 229,784,067.00	\$ 223,373,044.00	\$ 223,407,044.00	\$ 230,438,397.00	\$ 241,269,347	\$ 254,181,622	\$ 260,484,556.00
Total Net Debt Applicable to Limit	32,610,000.00	13,005,000.00	15,420,000.00	17,740,000.00	19,985,000.00	19,510,000.00	23,230,000.00	25,035,000.00	26,760,000.00	28,405,000.00
Legal Debt Margin	\$ 157,715,093.09	\$ 231,756,800.00	\$ 221,181,951.00	\$ 212,044,067.00	\$ 203,388,044.00	\$ 203,897,044.00	\$ 207,208,397.00	\$ 216,234,347.00	\$ 227,421,622.00	\$ 232,079,556.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.13%	5.31%	6.52%	7.72%	8.95%	8.73%	10.08%	10.38%	10.53%	10.90%

Legal Debt Margin Calculation

	2019	2018	2017
Equalized Valuation Basis	\$ 6,591,490,849.00	6,320,630,061.00	6,120,388,399.00
Average Equalized Valuation of Taxable Property	\$ 190,325,093.09	32,610,000.00	157,715,093.09
Debt Limit (3% of Average Equalization Value)			
Net Bonded School Debt			
Legal Debt Margin			

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



### **Demographic and Economic Information**

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

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

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

<b>YEAR</b>	<b>POPULATION (a)</b>	<b>PER CAPITA PERSONAL INCOME (c)</b>	<b>UNEMPLOYMENT RATE (d)</b>
2011	26,093	60,543	8.10%
2012	26,029	62,969	8.00%
2013	25,992	63,662	8.40%
2014	25,903	67,069	7.00%
2015	25,889	70,231	5.37%
2016	25,897	72,248	4.90%
2017	25,818	75,395	4.30%
2018	25,794	79,978	3.90%
2019	25,554	79,978	( E ) 3.60%
2020	25,554	( E ) 79,978	( E ) 3.00%

## Sources:

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

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

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

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

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

2020		
EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT

**DATA NOT AVAILABLE**

Total	0	0.00%
Total Employment - (Estimated)	0	

Source: Borough of Red Bank, Clerk's Office.

### **Operating Information**

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

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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Instruction:										
Regular	259.2	258.6	267.5	270.5	274.1	275.0	260.0	257	258	394
Special Education	171.4	164.5	167.9	160.8	156.3	161.0	145.5	90	73	1
Other Special Instruction							0.0	53	52	
Other Instruction	221.5	213.0	199.0	194.0	164.0	155.0	157.0	158	158	
Support Services:										
Student & Instruction Related Services	116.0	118.6	110.0	121.6	98.8	104.5	91.5	90	87	76
General Administration	6.0	6.0	6.0	6.0	6.0	6.0	4.0	4	4	6
School Administrative Services	32.5	32.0	31.6	31.0	30.0	30.0	30.0	31	31	10
Other Administrative Services										9
Central Services	7.0	7.0	7.0	7.0	7.0	7.0	8.0	8	9	9
Administrative Information Technology	6.0	6.0	6.0	6.0	6.0	6.0	5.0	6	5	5
Plant Operations & Maintenance	106.0	105.2	100.3	98.6	103.9	99.0	88.0	87	87	87
Pupil Transportation	62.0	60.1	62.8	63.5	66.1	67.6	66.0	67	66	87
<b>Total</b>	<b>987.6</b>	<b>971.0</b>	<b>958.1</b>	<b>959.0</b>	<b>912.2</b>	<b>911.1</b>	<b>855.0</b>	<b>850</b>	<b>830</b>	<b>684</b>

**Source:** District Personnel Records

WALL TOWNSHIP BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO (d)			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE	HIGH				
2020	3,311	\$ 68,798,610.00	\$ 20,778.80	-14.00%	417	1:08:4	1:07:8	1:07:6	3,379.70	3,300.50	0.00%	97.66%
2019	3,351	80,962,776.00	24,160.78	7.68%	417	1:08:4	1:07:8	1:07:6	3,379.70	3,300.50	-0.55%	97.66%
2018	3,410	76,509,078.00	22,436.68	3.37%	419	1:08:4	1:07:7	1:08:0	3,398.50	3,326.20	-1.61%	97.87%
2017	3,460	75,102,953.00	21,706.06	7.84%	418	1:08:7	1:08:1	1:08:0	3,454.20	3,435.70	-3.73%	99.46%
2016	3,606	72,578,498.00	20,127.15	3.95%	400	1:08:9	1:08:8	1:09:3	3,588.10	3,475.00	0.45%	96.85%
2015	3,649	70,641,086.00	19,361.68	4.61%	400	1:08:9	1:09:0	1:08:8	3,572.00	3,454.00	-1.57%	96.70%
2014	3,716	68,767,123.00	18,508.17	5.05%	402	1:08:4	1:09:3	1:09:3	3,629.00	3,508.00	-5.72%	96.67%
2013	3,821	67,310,213.00	17,618.17	3.52%	385	1:09:3	1:09:6	1:11:1	3,849.00	3,676.00	-2.23%	95.51%
2012	3,956	67,324,895.00	17,018.43	13.44%	382	1:11:2	1:12:5	1:12:6	3,936.90	3,767.10	-3.19%	95.69%
2011	4,112	61,689,217.00	15,002.24	0.36%	365	1:11:2	1:11:4	1:11:8	4,066.50	3,872.50	-4.17%	95.23%

Sources: District records

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

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

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

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

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



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

DISTRICT BUILDINGS

Elementary Schools:

	<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>
Allenwood										
Square Feet	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920	49,920
Capacity (Students)	521	521	521	521	521	521	521	521	521	521
Enrollment	364	406	391	380	348	348	359	387	401	409
Central										
Square Feet	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110	56,110
Capacity (Students)	596	596	596	596	596	596	596	596	596	596
Enrollment (a)	427	538	526	522	504	507	506	495	533	558
Old Mill										
Square Feet	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440	56,440
Capacity (Students)	560	560	560	560	560	560	560	560	560	560
Enrollment	326	380	381	404	402	420	434	434	456	485
West Belmar										
Square Feet	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360	39,360
Capacity (Students)	276	276	276	276	276	276	276	276	276	276
Enrollment	144	173	181	186	203	199	212	221	232	214
Middle School:										
Intermediate										
Square Feet	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000	126,000
Capacity (Students)	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Enrollment	779	775	787	811	887	921	940	990	1,038	1,045
High School:										
Square Feet	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340	186,340
Capacity (Students)	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394
Enrollment	1,051	1,021	1,094	1,100	1,190	1,184	1,197	1,220	1,224	1,318

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

<u>DISTRICT BUILDINGS</u>	<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>
Primary:										
Square Feet	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970	5,970
Capacity (Students)	60	60	60	60	60	60	60	60	60	60
Enrollment	55	58	50	57	55	50	36	50	48	47
Virtual:										
Enrollment	165	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other:										
Superintendent's Building										
Square Feet- 2,880										
Business Office										
Square Feet- 5,760										
Technology Building										
Square Feet- 1,069										
Tech. Storage Bam										
Square Feet- 1,296										
Maintenance Building										
Square Feet- 4,756										
Red Storage Bam										
Square Feet - 960										
Special Service Bldg. 1										
Square Feet- 2,000										
Special Service Bldg. 2										
Square Feet- 1,104										
District Storage Bldg.										
Square Feet- 5,000										
Garage Apt.										
Square Feet- 2,030										
18th Ave. Field										
Square feet- 1,800										
Number of Schools at June 30, 2020:										
Elementary = 4										
Middle School = 1										
Senior High School = 1										
Other = 1										

Source: District Facilities Office, District Records

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

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

SCHOOL FACILITIES	PROJECT # (S)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Wall High School	050	136,233.00	168,933.00	87,265.00	136,799.00	102,842.00	77,780.00	147,150.00	222,767.00	665,666.00	174,714.00
Allenwood School	060	31,525.00	31,409.00	39,077.00	29,623.00	35,969.00	35,542.00	60,219.00	16,597.00	42,581.00	38,650.00
Central Elementary	070	40,908.00	71,440.00	54,929.00	51,100.00	49,712.00	48,246.00	59,643.00	27,239.00	62,692.00	45,986.00
Wall Intermediate	075	25,939.00	93,853.00	196,273.00	108,071.00	45,122.00	89,364.00	82,433.00	28,520.00	114,269.00	71,190.00
Old Mill Primary	077	29,930.00	65,456.00	38,219.00	187,116.00	39,956.00	47,601.00	54,979.00	25,210.00	39,695.00	54,720.00
West Belmar	078	18,345.00	25,201.00	2,166.00	6,157.00	16,272.00	28,745.00	28,113.00	1,374.00	20,040.00	22,545.00
	080	17,445.00	56,640.00	11,395.00	31,747.00	31,551.00	31,011.00	59,345.00	20,897.00	31,764.00	34,623.00
Grand Total		\$ 300,325.00	\$ 512,932.00	\$ 429,324.00	\$ 550,613.00	\$ 321,424.00	\$ 358,289.00	\$ 491,882.00	\$ 342,604.00	\$ 976,707.00	\$ 442,428.00

**WALL TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
June 30, 2020  
UNAUDITED**

	<b>COVERAGE</b>	<b>DEDUCTIBLE</b>
<b>SCHOOL PACKAGE POLICY (1):</b>		
<b>School Excess Liability Joint Insurance Fund</b>		
Property Blanket Bldg. & Contents	\$ 500,000,000.00	\$ 5,000.00
Program Blanket Limit	500,000,000.00 *	5,000.00
Comprehensive General Liability	5,000,000.00	-
Comprehensive Crime Coverage	500,000.00	1,000.00
Money & Securities	50,000.00	1,000.00
Workers Compensation	Statutory	N/L
<b>COMPUTERS &amp; SCHEDULE EQUIPMENT</b>		
<b>School Excess Liability Joint Insurance Fund</b>		
Data Processing Equipment	500,000,000.00	\$ 5,000.00
Valuable Papers	500,000,000.00	5,000.00
Miscellaneous Equipment	500,000,000.00	5,000.00
Business Income	100,000,000.00	5,000.00
Extra Expense	50,000,000.00	5,000.00
<b>BOILER &amp; MACHINERY - SCHOOL EXCESS JOINT INSURANCE FUND</b>		
Property Damage	100,000,000.00	5,000.00
<b>UMBRELLA EXCESS LIABILITY</b>		
Excess Liability - Dipolma JIF	5,000,000.00	None
School Excess - Umbrella Policy	30,000,000.00	None
Liability Fund - Fireman's Fund	50,000,000.00	None
<b>SCHOOL BOARD LEGAL LIABILITY - ACE USA</b>		
Directors & Officers Policy	Included in SLPL	None
<b>PUBLIC OFFICIAL BOND - PABLO D. CANELA</b>		
	400,000.00	None
<b>PUBLIC OFFICIAL BOND - BRIAN J. SMYTH</b>		
	400,000.00	None
<b>AUTOMOBILE &amp; TRUCKS</b>		
<b>School Excess Liability Joint Insurance Fund</b>	5,000,000.00	Comp./Coll. 1,000/1,000

Source: District Records

**SINGLE AUDIT SECTION**

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**EXHIBIT K-1**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Wall Township School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Wall Township School District's basic financial statements, and have issued our report thereon dated January 29, 2021.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Wall Township School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

### **Purpose of This Report**

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman  
Certified Public Accountant  
Public School Accountant, No. 20CS00260100

Freehold, New Jersey  
January 29, 2021



**EXHIBIT K-2**

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

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

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

We have audited the Wall Township School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The Wall Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Wall Township School District's major federal and 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; *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 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 federal or 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 federal and state program. However, our audit does not provide a legal determination of the School District's compliance.

## Opinion on Each Major Federal and State Program

In our opinion, the Wall Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2020.

## Report on Internal Control Over Compliance

Management of the Wall Township School District 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 federal or 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 federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 Uniform Guidance and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Matthew F. Holman  
Certified Public Accountant  
Public School Accountant, No. 20CS00260100

Freehold, New Jersey  
January 29, 2021

WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL AWARD NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE JUNE 30, 2020									
												TO GRANTEE	TO GRANTOR								
93.778	1805NJSMAP	100-054-7540-211	\$ 35,072	7/1/19-6/30/20	\$ -	\$ 35,072	\$ (35,072)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
<p><b>U.S. Department of Health and Human Services</b> Medicaid Cluster Medicaid Assistance Program (SEM)</p>																					
Total Medicaid Cluster																					
<b>Total U.S. Department of Health and Human Services</b>																					
<b>U.S. Department of Agriculture</b>																					
Passed Through New Jersey Department of Agriculture:																					
Child Nutrition Cluster:																					
10.553	INJ304N1099	100-010-3350-028	22,146	7/1/19-6/30/20	-	22,146	(22,146)	-	-	-	-	-	-								
10.553	20INJ304N1099	100-010-3350-028	19,134	7/1/19-6/30/20	(2,013)	17,121	(19,134)	-	-	-	-	(6,072)	-								
10.553	INJ304N1099	100-010-3350-028	22,855	7/1/18-6/30/19	(2,013)	37,221	(41,280)	-	-	-	-	(6,072)	-								
National School Lunch Program																					
10.555	INJ304N1099	100-010-3350-028	139,171	7/1/19-6/30/20	-	139,171	(139,171)	-	-	-	-	-	-								
10.555	20INJ304N1099	100-010-3350-028	35,072	7/1/19-6/30/20	(12,058)	23,014	(35,072)	-	-	-	-	(11,253)	-								
10.555	INJ304N1099	100-010-3350-028	208,960	7/1/18-6/30/19	(12,058)	12,058	-	-	-	-	-	-	-								
10.555	INJ304N1099	100-010-3350-026	8,248	7/1/19-6/30/20	-	8,248	(8,248)	-	-	-	-	-	-								
10.555	20INJ304N1099	100-010-3350-026	720	7/1/19-6/30/20	-	489	(720)	-	-	-	-	(231)	-								
10.555	INJ304N1099	Unavailable	55,506	7/1/19-6/30/20	(12,058)	239,291	(238,717)	-	-	-	-	(11,484)	-								
Total Child Nutrition Cluster																					
<b>Total U.S. Department of Agriculture</b>																					
<b>U.S. Department of Education</b>																					
Passed Through New Jersey Department of Education:																					
NCLB Title I:																					
84.01	S010A160030	NCLB5204-17	309,511	7/1/16-6/30/17	199	-	-	(199)	-	-	-	-	-								
84.010	S010A160030	100-034-5064-194	324,076	7/1/19-9/30/20	-	203,941	(312,378)	-	-	-	-	(108,437)	-								
84.010	S010A160030	100-034-5064-194	314,675	7/1/18-6/30/19	(102,968)	102,968	-	-	-	-	-	(108,437)	-								
Title I - Part A:																					
84.367	S367A160029	100-034-5063-290	45,768	7/1/19-9/30/20	-	306,909	(312,378)	(199)	-	-	-	(108,437)	-								
84.367	S367A160029	100-034-5063-290	71,681	7/1/18-6/30/19	(31,085)	41,600	(41,926)	-	(1)	-	-	(327)	-								
Title II - Part A, Supporting Effective Instruction																					
84.365	S365A160030	100-034-5064-187	36,514	7/1/19-9/30/20	-	17,153	(24,159)	-	-	-	-	(7,006)	-								
84.365	S365A160030	100-034-5064-187	34,132	7/1/18-6/30/19	(4,052)	4,052	-	-	-	-	-	-	-								
84.377	S365A160030	NCLB5204-16	15,775	7/1/15-6/30/16	198	-	(198)	-	-	-	-	-	-								
84.365	S365A160030	100-034-5064-187	1,680	7/1/19-9/30/20	-	1,326	(826)	-	(1)	-	-	(827)	-								
84.365	S365A160030	100-034-5064-187	1,612	7/1/18-6/30/19	(1,326)	1,326	-	-	-	-	-	-	-								
Title III - Immigrant																					
84.424	S369A170031	100-034-5064-189	18,367	7/1/19-9/30/20	(5,773)	14,069	(15,066)	-	-	-	-	(977)	-								
84.424	S369A170031	100-034-5064-189	18,918	7/1/18-6/30/19	(5,773)	19,842	(15,066)	-	-	-	-	(977)	-								
Special Education Cluster:																					
84.027	H027A160100	100-034-5065-016	843,438	7/1/19-9/30/20	-	805,993	(832,191)	-	2	-	-	(26,196)	-								
84.027	H027A160100	100-034-5065-016	874,910	7/1/19-9/30/20	10,361	-	-	(10,361)	-	-	-	-	-								
84.027	H027A160100	100-034-5065-016	831,311	7/1/18-6/30/19	(61,758)	72,119	(82,119)	-	-	-	-	(26,196)	-								
Title IV:																					
84.173	H173A160114	100-034-5065-020	50,713	7/1/19-9/30/20	-	30,927	(46,432)	-	-	-	-	(15,505)	-								
84.173	H173A160114	100-034-5065-020	50,210	7/1/18-6/30/19	(47,005)	47,005	-	-	-	-	-	(15,505)	-								
Total Special Education Cluster																					
84.424	S369A170031	100-034-5064-189	18,918	7/1/19-12/31/19	(108,763)	956,044	(878,623)	(10,361)	2	-	-	(41,701)	-								
Total U.S. Department of Education																					
<b>Total Expenditures of Federal Awards</b>																					
												\$	(367,641)	\$	1,789,595	\$	(1,588,047)	\$	(10,758)	\$	(176,851)

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

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WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEARENDED JUNE 30, 2020

STATE GRANTOR/ PROGRAM TITLE	GRANTOR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2019	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	UNEARNED REVENUE	BALANCE, JUNE 30, 2020		MEMO CUMULATIVE TOTAL EXPENDITURES
												ACCOUNTS RECEIVABLE	DUE TO GRANTOR	
<b>New Jersey Department of Education:</b>														
General Fund:														
State Aid Public:														
Special Education Categorical Aid	495-034-5120-089	2,640,958	7/1/19-6/30/20	-	-	\$ 2,640,958	\$ (2,640,958)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,640,958
Security Aid	495-034-5120-084	341,937	7/1/19-6/30/20	-	-	341,937	(341,937)	-	-	-	-	-	-	341,937
Total State Aid Public						2,982,895	(2,982,895)	-	-	-	-	-	-	2,982,895
Transportation Aid	495-034-5120-014	1,204,850	7/1/19-6/30/20	-	-	1,204,850	(1,204,850)	-	-	-	-	-	-	1,204,850
Extraordinary Aid	495-034-5120-043	436,188	7/1/19-6/30/20	-	-	-	(436,188)	-	-	-	-	(436,188)	-	436,188
Additional Non-Public Transportation Aid	495-034-5120-013	25,902	7/1/19-6/30/20	-	-	-	(25,902)	-	-	-	-	(25,902)	-	25,902
Additional Non-Public Transportation Aid	495-034-5120-014	58,892	7/1/18-6/30/19	(88,892)	-	38,892	-	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,348,279	7/1/19-6/30/20	-	-	2,231,596	(2,348,279)	-	-	-	-	(116,883)	-	2,348,279
Reimbursed TPAF Social Security Contributions	495-034-5094-003	2,267,651	7/1/18-6/30/19	(111,959)	-	111,959	-	-	-	-	-	-	-	-
TPAF - Post Retirement (Noncash Assistance)	495-034-5094-001	2,387,347	7/1/19-6/30/20	-	-	2,387,347	(2,387,347)	-	-	-	-	-	-	2,387,347
Contributions (Noncash Assistance)	495-034-5094-002	6,435,215	7/1/19-6/30/20	-	-	6,435,215	(6,435,215)	-	-	-	-	-	-	6,435,215
TPAF - Long-Term Disability	495-034-5094-004	5,945	7/1/19-6/30/20	-	-	5,945	(5,945)	-	-	-	-	-	-	5,945
Insurance (Noncash Assistance)														
Total General Fund				(170,851)	-	15,418,499	(15,826,621)	-	-	(578,973)	-	-	406,695	15,826,621
Special Revenue Fund:														
Non-Public Aid:														
Textbooks	100-034-5120-064	10,700	7/1/19-6/30/20	-	-	10,700	(10,697)	-	-	-	3	-	-	10,697
Textbooks	100-034-5120-064	4,699	7/1/18-6/30/19	274	-	-	-	-	(274)	-	-	-	-	-
Nursing Services	100-034-5120-070	19,691	7/1/19-6/30/20	-	-	19,691	(15,167)	-	-	-	-	4,524	-	15,167
Nursing Services	100-034-5120-070	8,536	7/1/18-6/30/19	837	-	-	-	-	(837)	-	-	-	-	-
Technology Initiative	100-034-5120-373	7,308	7/1/19-6/30/20	-	-	7,308	(3,526)	-	-	-	-	3,782	-	3,526
Technology Initiative	100-034-5120-373	3,168	7/1/18-6/30/19	80	-	-	-	-	(80)	-	-	-	-	-
Security Aid	100-034-5120-060	3,420	7/1/18-6/30/19	491	-	30,450	(30,187)	-	-	-	-	263	-	30,187
Auxiliary Services Aid (Chapter 192):														
Compensatory Education	100-034-5120-067	2,443	7/1/19-6/30/20	-	-	2,443	(2,433)	-	-	-	-	10	-	2,433
Compensatory Education	100-034-5120-067	7,614	7/1/18-6/30/19	5,887	-	-	-	-	(5,887)	-	-	-	-	-
Transportation	100-034-5120-068	5,950	7/1/18-6/30/19	5,950	-	-	-	-	(5,950)	-	-	-	-	-
Handicapped Services (Chapter 193):														
Examination and Classification	100-034-5120-066	7,433	7/1/19-6/30/20	-	-	7,433	(7,433)	-	-	-	-	-	-	7,433
Examination and Classification	100-034-5120-066	9,463	7/1/18-6/30/19	9,016	-	-	-	-	(9,016)	-	-	-	-	-
Corrective Speech	100-034-5120-066	11,392	7/1/19-6/30/20	-	-	11,392	(11,392)	-	-	-	-	-	-	11,392
Corrective Speech	100-034-5120-066	88,928	7/1/18-6/30/19	842	-	-	-	-	(842)	-	-	-	-	-
Supplementary Instruction	100-034-5120-066	6,344	7/1/18-6/30/19	5,237	-	-	-	-	(5,237)	-	-	-	-	-
Supplementary Instruction	100-034-5120-066	5,424	7/1/19-6/30/20	-	-	5,424	(5,424)	-	-	-	-	-	-	5,424
Advanced Computer Science Grant	19-CZ01-016	41,899	1/15/19-6/30/20	(30,477)	-	34,123	(3,926)	-	-	(280)	-	-	-	3,926
Total Special Revenue Fund				(2,163)	-	128,964	(90,185)	-	(28,314)	(277)	-	8,579	-	90,185
Capital Projects Fund:														
New Jersey School Development Authority:														
Phone System Replacement - Various Schools	Various	183,320	7/1/15-6/30/16	179,654	-	-	-	-	-	-	-	179,654	-	-
Public Address Systems - Various Schools	Various	602,900	7/1/15-6/30/16	757,735	-	-	-	-	-	-	-	757,735	-	-
Total Capital Projects Fund				937,389	-	-	-	-	-	-	-	937,389	-	-
Debt Service Fund:														
Debt Service Aid	495-034-5120-075	750,088	7/1/19-6/30/20	-	-	750,088	(750,088)	-	-	-	-	-	-	750,088
Total Debt Service Fund						750,088	(750,088)	-	-	-	-	-	-	750,088
<b>New Jersey Department of Agriculture:</b>														
Enterprise Fund:														
National School Lunch Program	100-010-3350-023	8,799	7/1/19-6/30/20	(56)	-	6,443	(8,799)	-	-	-	-	(2,356)	-	8,799
National School Lunch Program	100-010-3350-023	8,757	7/1/18-6/30/19	(56)	-	1,208	-	-	-	-	-	-	-	-
Total Enterprise Fund				(56)	-	8,151	(8,799)	-	-	-	-	(2,356)	-	8,799
Total State Financial Assistance				\$ 763,819	\$ -	\$ 16,305,702	\$ (16,675,693)	\$ -	\$ (28,314)	\$ (277)	\$ -	\$ (581,329)	\$ 945,968	\$ 16,675,693
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:														
TPAF - Post Retirement Medical (Noncash Assistance)	495-034-5094-001	\$ 2,387,347	7/1/19-6/30/20	-	-	\$ -	\$ 2,387,347	-	-	-	-	-	-	-
TPAF - Pension Contributions (Noncash Assistance)	495-034-5094-002	6,435,215	7/1/19-6/30/20	-	-	-	6,435,215	-	-	-	-	-	-	-
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	5,945	7/1/19-6/30/20	-	-	-	5,945	-	-	-	-	-	-	-
Total State Financial Assistance Subject to Calculation for Major Program Determination														
Total State Financial Assistance Subject to Calculation for Major Program Determination														
The accompanying Notes to Schedule Expenditures of Federal Awards and Financial Assistance are an integral part of this Schedule.														

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**WALL TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2020**

**Note 1. Basis of Presentation**

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

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

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

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

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

**WALL TOWNSHIP BOARD OF EDUCATION**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2020 (Continued)**

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$294,528 for the general fund and \$437,465 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 35,072	\$ 16,264,086	\$ 16,299,158
Special Revenue Fund	1,567,506	90,185	1,657,691
Debt Service Fund	-	750,088	750,088
Food Service Fund	279,997	8,799	288,796
Total Awards & Financial Assistance	<u>\$ 1,882,575</u>	<u>\$ 17,113,158</u>	<u>\$ 18,995,733</u>

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

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

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

The Wall Township School District had no loan balances outstanding at June 30, 2020.



**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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

**Financial Statements**

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

**Federal Awards**

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	Special Education Cluster:
84.027	H027A160100	I.D.E.A. Part B
84.173	H173A160114	I.D.E.A. Preschool
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs	\$	750,000
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Auditee qualified as low-risk auditee?	_____ <u>X</u> yes	_____ no
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**WALL TOWNSHIP BOARD OF EDUCATION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2020**

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

**State Financial Assistance**

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	<u>X</u> yes	_____ no
Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	<u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	<u>X</u> none reported
Type of auditor's report issued on compliance for major programs		_____ Unmodified
Identification of major programs:		

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

**Name of State Program**

_____
495-034-5120-089
_____
495-034-5120-084
_____
_____
495-034-5120-075
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

State Aid Public:
_____
Special Education Categorical Aid
_____
Security Aid
_____
_____
Debt Service Aid
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

**Section II - Financial Statement Findings**

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

None.

**WALL TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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

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

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.

**WALL TOWNSHIP BOARD OF EDUCATION  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
YEAR ENDED JUNE 30, 2020**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

**Finding 2019-001:**

Condition:

Our audit of the District Report of Transported Resident Students (DRTRS) revealed that in certain instances, required transportation or special transportation needs were not specified in students' Individualized Education Plan (IEP).

Current Status:

This finding has been corrected.

**Finding 2019-002:**

Condition:

Our audit noted the TPAF reimbursement to the State was not made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management.

Current Status:

This finding has been corrected.