

WAYNE TOWNSHIP PUBLIC SCHOOLS

**Wayne Township Public Schools District
Board of Education
Wayne, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

**Comprehensive Annual
Financial Report**

of the

**Wayne Township Public Schools
Board of Education**

Wayne, New Jersey

For the Fiscal Year Ended June 30, 2020

Prepared by

**Wayne Township Public Schools District
Board of Education**

Finance Department

WAYNE TOWNSHIP PUBLIC SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2020

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal	1
Organizational Chart.....	5
Roster of Officials	6
Consultants and Advisors	7
ASBO International Certificate of Excellence	8

FINANCIAL SECTION

Independent Auditors' Report	10
Required Supplementary Information	13
Management's Discussion and Analysis	14
Basic Financial Statements (Sections A. and B.).....	25
A. District-Wide Financial Statements	26
A-1 Statement of Net Position.....	27
A-2 Statement of Activities	28
B. Fund Financial Statements	30
B-1 Balance Sheet – Governmental Funds.....	31
B-2 Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds	32
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
B-4 Statement of Net Position – Proprietary Funds	34
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds	36
B-6 Statement of Cash Flows – Proprietary Funds	37
B-7 Statement of Fiduciary Net Position – Fiduciary Funds.....	38
B-8 Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	39
Notes to the Basic Financial Statements	40

Required Supplementary Information

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions.....	83
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees' Retirement System.....	83
L-2 Schedule of District Contributions – Public Employees' Retirement System	84
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Attributable to the District – Teacher's Pension and Annuity Fund	85
L-4 Schedule of State Contributions – Teacher's Pension and Annuity Fund.....	86
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios	87
Notes to Required Supplementary Information	88

WAYNE TOWNSHIP PUBLIC SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

FINANCIAL SECTION (Cont'd)

C.	Budgetary Comparison Schedules	91
C-1	Budgetary Comparison Schedule – General Fund	92
C-2	Budgetary Comparison Schedule – Special Revenue Fund	105
C-3	Budgetary Comparison Schedule – Note to Required Supplementary Information.....	106

Other Supplementary Schedules (D. to I.)

D.	School Level Schedules (Not Applicable)	108
E.	Special Revenue Fund.....	109
E-1	Combining Schedule of Revenue and Expenditures Special Revenue Fund – Budgetary Basis	110
E-2	Preschool Education Aid Schedule of Expenditures Special Revenue Fund – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund	114
F-1	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	115
F-1a	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – District-Wide Energy Savings Improvement Program	116
F-1b	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Wayne Hills High School – Partial Roof Replacement Project	117
F-1c	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Wayne Hills High School – New ADA Restroom Project	118
F-1d	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – George Washington Middle School – Exterior Window Replacement Project	119
F-1e	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Lafayette Elementary School – Partial Roof Replacement Project	120
F-1f	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Early Childhood Center Renovation Project.....	121
F-1g	Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Next Generation Science Project – High Schools.....	122
G.	Proprietary Funds	123
	Enterprise Funds:	
G-1	Combining Statement of Net Position.....	124
G-2	Combining Statement of Revenue, Expenses and Changes in Fund Net Position	126
G-3	Combining Statement of Cash Flows	127
H.	Fiduciary Funds.....	128
H-1	Combining Statement of Fiduciary Net Position.....	129
H-2	Statement of Changes in Fiduciary Net Position.....	130
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	131
H-4	Student Activity Agency Fund Statement of Activity	132
H-5	Payroll Agency Fund Schedule of Receipts and Disbursements.....	133

WAYNE TOWNSHIP PUBLIC SCHOOLS
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

FINANCIAL SECTION (Cont'd)

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

I.	Long-Term Debt.....	134
I-1	Schedule of Serial Bonds	135
I-2	Schedule of Obligations Under Capital Leases	136
I-3	Debt Service Fund Budgetary Comparison Schedule	137

STATISTICAL SECTION

J.	Statistical Section (Unaudited).....	138
J-1	Net Position by Component	139
J-2	Changes in Net Position	140
J-3	Fund Balances - Governmental Funds	142
J-4	Changes in Fund Balances - Governmental Funds.....	143
J-5	General Fund Other Local Revenue by Source	145
J-6	Assessed Value and Estimated Actual Value of Taxable Property	146
J-7	Direct and Overlapping Property Tax Rates	147
J-8	Principal Property Taxpayers	148
J-9	Property Tax Levies and Collections	149
J-10	Ratios of Outstanding Debt by Type	150
J-11	Ratios of Net General Bonded Debt Outstanding	151
J-12	Ratios of Overlapping Governmental Activities Debt	152
J-13	Legal Debt Margin Information	153
J-14	Demographic and Economic Statistics	154
J-15	Principal Employers	155
J-16	Full-Time Equivalent District Employees by Function/Program.....	156
J-17	Operating Statistics.....	157
J-18	School Building Information	158
J-19	Schedule of Required Maintenance for School Facilities	161
J-20	Insurance Schedule.....	162
K.	SINGLE AUDIT SECTION	163
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 <i>Government Auditing Standards</i>	164
K-2	Independent Auditor's Report on Compliance For Each Major Federal and State Program and Report on Internal Control Over Compliance.....	166
K-3	Schedule of Expenditures of Federal Awards	168
K-4	Schedule of Expenditures of State Awards	170
K-5	Notes to Schedules of Expenditures of Federal and State Awards.....	172
K-6	Schedule of Findings and Questioned Costs	174
K-7	Summary Schedule of Prior Audit Findings	176

**INTRODUCTORY SECTION
(UNAUDITED)**



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Phone: (973) 633-3000

December 16, 2020

The Honorable President and Members of
the Board of Education
Wayne Township Public Schools
County of Passaic, New Jersey

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Township of Wayne Public Schools (the "District") for the fiscal year ended June 30, 2020. 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 (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES:

The Township of Wayne Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds and the District-Wide financial statements of the District are included in this report. The Township of Wayne Public Schools District and all its schools institute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12 for the students residing in the Township of Wayne. These include regular, vocational, as well as special education for handicapped youngsters. The District pays tuition to charter schools for its students who elect to attend a charter school. The District completed the 2019-2020 fiscal year with an average daily enrollment of 7,719 students, a decrease of 82 students, or a decrease of 1.05%, from the previous year's enrollment. This is consistent with the most recent demographic study conducted by the District for the update of the District's Long Range Facility Plan.

2) ECONOMIC CONDITION AND OUTLOOK: Wayne Township is located approximately 20 miles from Manhattan and is considered part of the greater New York metropolitan region. The community has a land area of almost 26.6 square miles with a population density of 2,055 residents per square mile. The school district has benefited from a high property tax base due to the location of several corporate headquarters and large shopping centers within the community.

The Township is served by major highways such as Interstate Highways 80 and 287, U.S. Highways 46 and 202 and State Highway 23. This ideal location for distribution of products within the New York metropolitan area has earned the Township the term of "Optimum Point" among business circles. The Township also benefits from the services of New Jersey Transit, which provides passenger service. All major airports, Kennedy, LaGuardia, Newark and Teterboro, as well as the New York and New Jersey ports, are accessible to Wayne. The District continues to exhibit wealth and income levels that are well above State medians.

Once plagued by a steep downward trend of decreasing valuations, the tax base seems to be stabilizing. From the five-year period from 2016 to 2020, total assessed valuations increased by \$45,436,700, representing a 0.88% increase, up from the previous five-year period from 2010 to 2015 which decreased by \$100,750,600, which was a decline of 1.93%. Unfortunately, total ratables decreased by \$6,238,800 between 2018 to 2019 and further declined by \$4,899,800 from 2019 to 2020 which may indicate a continued, and slow, downward trend in the years to come. Hopefully, a stabilization in assessments will take hold and have a positive impact on the District's ability to develop school district budgets within the 2% tax levy cap.

3) DISTRICT GOALS AND INITIATIVES: The Wayne Township School District continues to rank high on State and National tests, scoring well above the State and Nation in S.A.T. and ACT scores, and has had numerous high school students recognized for their achievements in the National Merit Scholarship Program. The District continued to monitor its instructional programs, enhancing them where necessary, with the following major goals and initiatives:

Wellness (Year 2): To continue to promote overall student and staff wellness and increase personal growth and self-awareness through an increase in programming in schools, communication, and community engagement with specific focus on mindfulness and resiliency skills, nutrition and movement. Investments have been made in programs and material for student, staff and parent use to reduce stress associated with competition for acceptance at top universities, the stress connected with ever increasing performance standards, anxiety created through social media, endless athletic seasons, and the ever present threat of school violence.

ESL Program Expansion: To complete an expansion of our English as a Second Language (ESL) program to make sure all students who are eligible for services are receiving services and to avoid cases of ESL service refusal resulting from the current magnet model by hiring additional staff members. In addition, our goal is to develop a multiyear plan for ESL expansion based on the New Jersey Department of Education eligibility requirements.

3) DISTRICT GOALS AND INITIATIVES (CONT'D)

Student Data (Year 2): To empower teachers and support use of various software programs to help them meet the needs of their students through professional development and collegial team meetings where teachers will have the opportunity to create plans and apply their training. Investments have been made in acquiring a software package, and related professional development activities, for implementation. The new software provides a reporting platform and includes a wealth of data on student performance in a readily accessible and high visible format. The strength of the software is our ability to locally collect student performance information from a variety of sources, analyze data, and create action plans at a very specific level.

Early Childhood Expansion and Transition to Full Day Kindergarten (Year 1): To restore the Preakness School to usage as an innovative school facility with the most modern design based on current school facility research to allow for an excellent preschool program while creating space in neighborhood schools for full-day kindergarten.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at line item accounts within each fund. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

7) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board appointed Nisivoccia, LLP of Mount Arlington, New Jersey to conduct its independent audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements, and specific required supplementary information 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.

8) AWARDS: The International Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This is the fifth consecutive year that the District applied and received this prestigious award. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

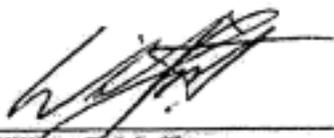
The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Program's requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2019-2020 certificate.

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

Respectfully submitted,

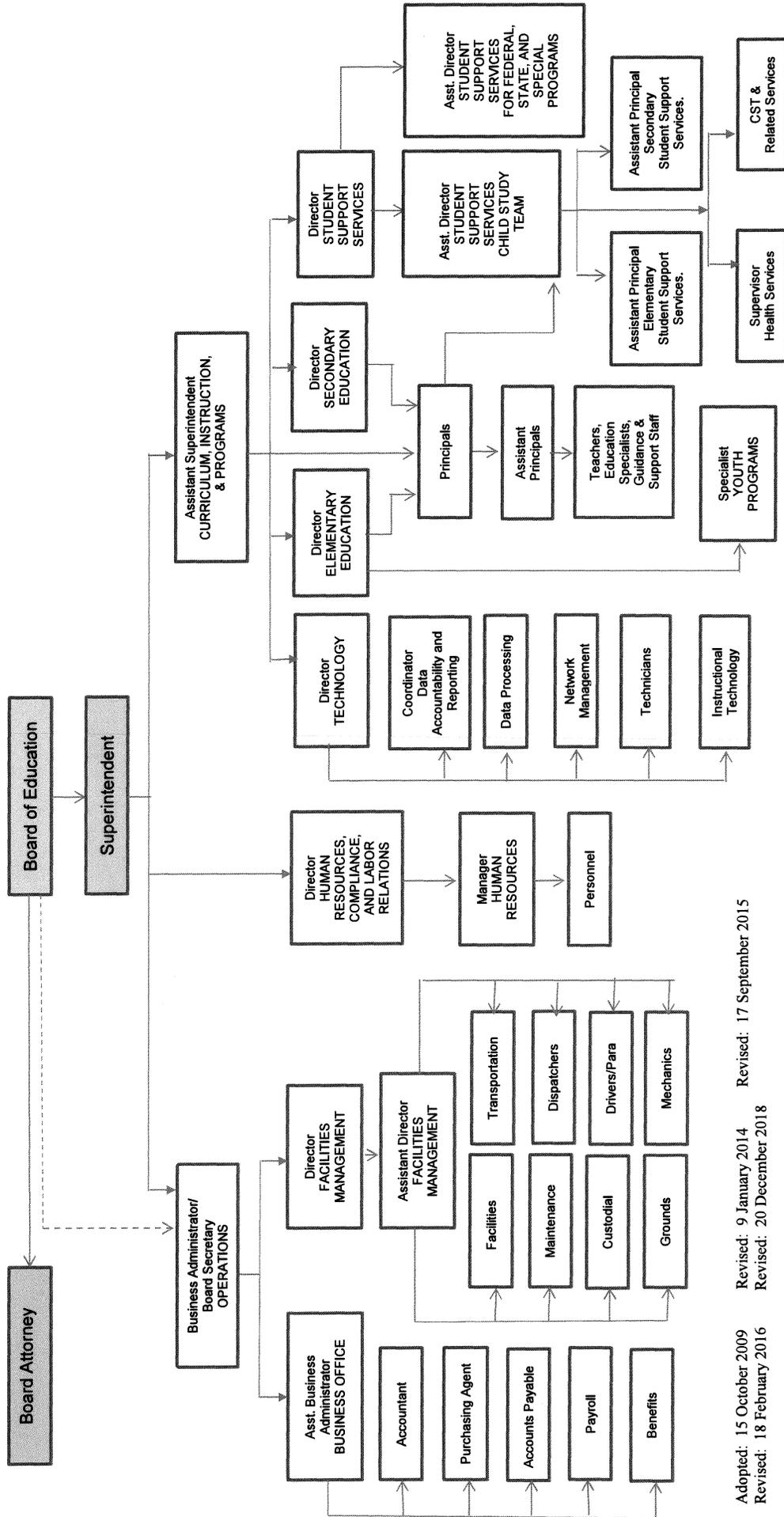


Dr. Mark Toback
Superintendent of Schools



William P. Moffitt
Business Administrator / Board Secretary

1110
ORGANIZATIONAL CHART



Adopted: 15 October 2009
Revised: 18 February 2016

Revised: 9 January 2014
Revised: 20 December 2018

Revised: 17 September 2015

**WAYNE TOWNSHIP BOARD OF EDUCATION
 ROSTER OF OFFICIALS
 JUNE 30, 2020**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Catherine Kazan, President	2020
Suzanne Pudup, Vice President	2022
Eileen Albanese	2021
Michael Bubba	2022
Sean Duffy	2020
Matthew Giordano	2021
Dawn Kumar	2022
Donald Pavlak, Jr.	2020
Stacey Scher	2021

<u>Other Officials</u>	<u>Title</u>
Dr. Mark Toback	Superintendent of Schools
William P. Moffitt	School Business Administrator/Board Secretary
Heather L. McNamara	Treasurer

WAYNE TOWNSHIP BOARD OF EDUCATION
Consultants and Advisors

Audit Firm

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Attorneys

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Bond Counsel

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Cranford, NJ 07016

Architect of Record

Parette Somjen Architects
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Rockaway, NJ 07866

Official Depository

TD Bank
1000 MacArthur Boulevard
Mahwah, NJ 07430



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Wayne Township School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink that reads 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

FINANCIAL SECTION



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nisivoccia.com

Independent Member
BKR International

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Wayne Township Public Schools
County of Passaic, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township Public Schools (the "District") in the County of Passaic, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and 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 Wayne Township Public Schools, in the County of Passaic, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, 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 District's basic financial statements. The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying other information such as the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
December 16, 2020

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

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

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

This section of Wayne Township Public School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District’s basic financial statements, which immediately follow this section.

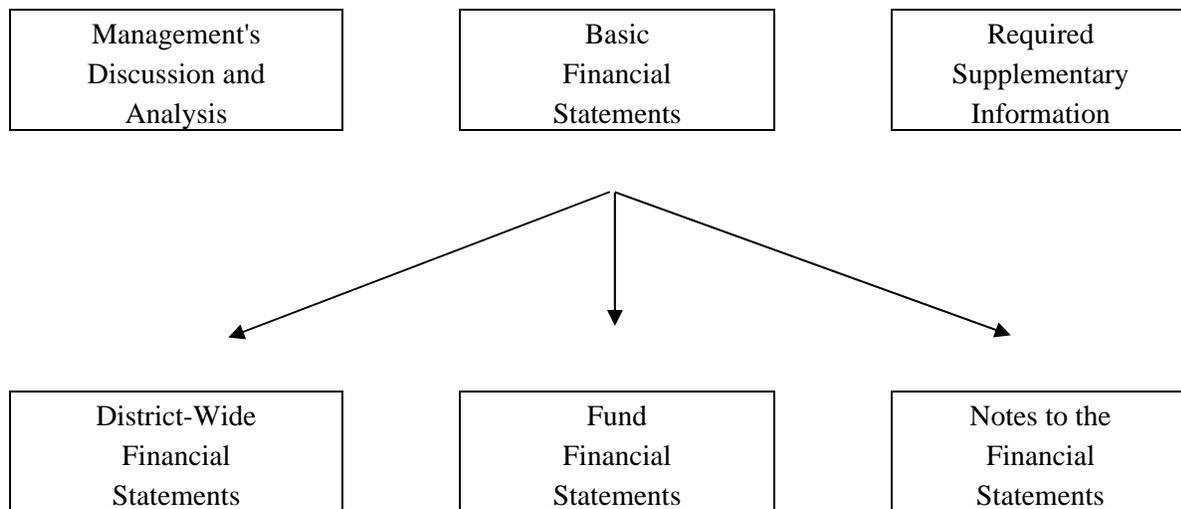
Overview of the Financial Statements

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1
Organization of Wayne Township Public Schools’ Financial Report**



**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food service, community education, wrap around & extended day programs	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue where cash is received during or soon after year-end; expenditures when goods or services have been received and related liability is due/payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

District-wide Statements

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

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

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

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

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service, community education, wrap around and extended day programs are included here.

Fund Financial Statements

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

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Fund Financial Statements

- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.
- *Fiduciary funds:* The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to the basic financial statements: The notes provide information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change 2019/20
	2019/20	2018/19 *	2019/20	2018/19 *	2019/20	2018/19 *	
Current and							
Other Assets	\$ 19,038,207	\$ 16,312,629	\$ 716,473	\$ 1,684,652	\$ 19,754,680	\$ 17,997,281	
Capital Assets, Net	64,481,808	64,728,648	300,580	245,819	64,782,388	64,974,467	
Total Assets	83,520,015	81,041,277	1,017,053	1,930,471	84,537,068	82,971,748	1.89%
Deferred Outflows of Resources	11,515,822	14,035,068	156,729	156,039	11,672,551	14,191,107	-17.75%
Other Liabilities	6,579,790	6,537,604	347,500	812,044	6,927,290	7,349,648	
Long-Term Liabilities	71,987,761	77,623,495	636,524	671,243	72,624,285	78,294,738	
Total Liabilities	78,567,551	84,161,099	984,024	1,483,287	79,551,575	85,644,386	-7.11%
Deferred Inflows of Resources	18,017,174	18,200,159	252,116	254,676	18,269,290	18,454,835	-1.01%
Net Position:							
Net Investment in							
Capital Assets	41,442,875	38,273,044	300,580	245,819	41,743,455	38,518,863	
Restricted	10,440,686	8,891,913			10,440,686	8,891,913	
Unrestricted							
(Deficit)	(53,432,449)	(54,449,870)	(362,938)	102,728	(53,795,387)	(54,347,142)	
Total Net Position (Deficit)	\$ (1,548,888)	\$ (7,284,913)	\$ (62,358)	\$ 348,547	\$ (1,611,246)	\$ (6,936,366)	76.77%

* Restated

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Financial Analysis of the District as a Whole

Changes in Net Position: The District's total net position increased \$5,325,120 over the course of the 2019-2020 fiscal year. Net position invested in capital assets increased \$3,224,592, restricted net position increased \$1,548,773 and unrestricted net position increased \$551,755. (See Figure A-3) Net position invested in capital assets increased primarily due to a reduction in related bond debt and capital additions offset by annual depreciation. Restricted net position increased due to increases in the Capital Reserve. Unrestricted net position increased largely from a decrease in the net pension liability, change in deferred inflows related to pensions, a decrease in compensated absences and an increase in Capital Projects offset by decreases in year-end encumbrances and the change in deferred outflows related to pensions.

**Figure A-4
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	Change
Revenue:							
Program Revenue:							
Charges for Services	\$ 477,652	\$ 606,147	\$ 3,013,299	\$ 4,082,205	\$ 3,490,951	\$ 4,688,352	
Grants and Contributions:							
Operating	47,161,950	53,888,274	456,869	507,167	47,618,819	54,395,441	
Capital	267,435				267,435		
General Revenue:							
Property Taxes	155,338,283	152,448,320			155,338,283	152,448,320	
Unrestricted State/							
Federal Aid	237,859	284,446			237,859	284,446	
Other	1,170,050	1,039,607			1,170,050	1,039,607	
Total Revenue	204,653,229	208,266,794	3,470,168	4,589,372	208,123,397	212,856,166	-2.22%
Expenses:							
Instruction	119,837,018	127,505,554			119,837,018	127,505,554	
Pupil and Instruction							
Services	36,112,873	37,299,202			36,112,873	37,299,202	
Administration and							
Business	14,945,083	16,728,163			14,945,083	16,728,163	
Maintenance and							
Operations	17,518,352	18,325,665			17,518,352	18,325,665	
Transportation	7,563,683	8,752,095			7,563,683	8,752,095	
Other	2,894,281	2,800,373	4,025,863	4,644,035	6,920,144	7,444,408	
Total Expenses	198,871,290	211,411,052	4,025,863	4,644,035	202,897,153	216,055,087	-6.09%
Transfers and Other Items	(45,914)	(114,339)	144,790	114,339	98,876		100.00%
Increase/(Decrease) in							
Net Position	\$ 5,736,025	\$ (3,258,597)	\$ (410,905)	\$ 59,676	\$ 5,325,120	\$ (3,198,921)	266.47%

The District's net position increased \$5,325,120 – an increase of \$5,736,025 from its governmental activities offset by a decrease of \$410,905 from its business-type activities. (See Figure A-4)

Changes in Results of Operations: Revenues from governmental activities decreased by \$3,613,565 mainly due to the decrease in On-Behalf TPAF Contributions of approximately \$7,000,000 offset by increases in the local tax levy of approximately \$2,900,000 and state aid of approximately \$570,000.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Financial Analysis of the District as a Whole

Changes in Results of Operations: Expenses from governmental activities decreased by \$12,539,762 mainly due to a decrease in On-Behalf TPAF Contributions, a decrease in net pension liability and changes in deferred inflows and outflows related to pensions and COVID-19 school closure. Revenues and expenses from business-type activities decreased mainly due to the COVID-19 school closure.

Governmental Activities

Net position from the District's governmental activities increased by \$5,736,025 in 2019-2020. However, maintaining existing programs, the provision of a multitude of special programs/services for disabled pupils and the cost of employee benefits has placed great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

**Figure A-5
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2019/2020	2018/2019	2019/2020	2018/2019
Instruction	\$ 119,837,018	\$ 127,505,554	\$ 82,781,217	\$ 85,551,909
Pupil and Instruction Services	36,112,873	37,299,202	29,353,820	29,252,566
Administration and Business	14,945,083	16,728,163	12,583,477	13,697,093
Maintenance and Operations	17,518,352	18,325,665	17,250,916	18,325,665
Transportation	7,563,683	8,752,095	6,100,542	7,289,025
Other	2,894,281	2,800,373	2,894,281	2,800,373
	<u>\$ 198,871,290</u>	<u>\$ 211,411,052</u>	<u>\$ 150,964,253</u>	<u>\$ 156,916,631</u>

Business-Type Activities

The net position of the District's business-type activities decreased by \$410,905, which was comprised of decreases in net position of \$304,791 for the extended day program and \$163,264 for the Kindergarten Wrap Around Program. These decreases were offset by an increase of \$2,389 for the community education program for the Safety Town Program and \$54,761 for the Food Service Fund. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's General Fund fund balance increased \$1,522,514 on the GAAP basis during the fiscal year. The District was able to deposit \$4,740,320 into the Capital Reserve Account during the fiscal year as a result of spending under budgeted amounts and had excess surplus of \$1,750,000 which will be appropriated in the 2021-22 budget.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Financial Analysis of the District's Funds

The State imposes spending and tax levy limits on the District in its budget process. Legislation titled "S1701" reduced the amount of allowable General Fund unassigned fund balance to 2% of adjusted expenditures. At June 30, 2020 the District's 2% limit is \$3,222,886 plus adjustments for certain additional unbudgeted State Aid of \$985,879, for a total of \$4,208,765 as the maximum General Fund unassigned fund balance.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual operating budget between budgetary line items for changes in school-based needs.

The following is an analysis of significant variations between original and final budget and final budget and actual:

	Original Budget	Final Budget	Actual
Expenditures:			
Current Expense:			
Instruction:			
Regular Programs - Instruction:			
Grades 9-12 - Salaries of Teachers	\$ 16,230,703	\$ 16,782,505	\$ 16,782,505
Regular Programs - Undistributed Instruction:			
General Supplies	2,270,693	2,234,739	1,822,263
Textbooks	231,792	689,912	566,771
Special Education - Instruction:			
Preschool Disabilities - Full-Time:			
Other Salaries for Instruction	582,108	751,120	751,120
Undistributed Expenditures:			
Instruction:			
Tuition to Private Schools for the Disabled - Within State	5,344,014	5,007,095	4,869,854
Undistributed Expenditures:			
Students - Extrordinary Services:			
Salaries	1,320,820	1,110,291	1,110,291
Purchased Professional - Educational Services	1,947,765	1,956,832	1,390,511
Improvement of Instructional Services:			
Salaries of Other Professional Staff	515,849	944,164	944,164
Custodial Services:			
Salaries	5,200,496	5,591,675	5,591,675
Security:			
Purchased Professional and Technical Services		425,851	346,432
Unallocated Benefits:			
Health Benefits	31,923,958	28,760,605	27,255,628

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

General Fund Budgetary Highlights

Due to the closure of the District's schools during the fiscal year resulting from the COVID-19 pandemic, the District experienced many changes in its final budget and actual expenditures for the fiscal year.

- Salaries increased due to hiring additional staff (i.e. long term subs), in addition to continuing to pay all staff members. With the change to remote learning, there were transfers of staff in regular and special education instruction within the District to ensure all staffing needs were met. These budgetary transfers resulted in increases and decreases in certain accounts depending upon the coverage needs.
- The need for all general supplies due to remote learning was less than originally budgeted.
- Textbooks needs were greater than originally budgeted; however, the District was able to split the payments on certain contracts over 2 years which resulted in lower actual expenditures in the current fiscal year.
- Tuition costs were less than budgeted because all students did not remain at their original private school placements and adjustments were made to billings to reflect modified school schedules.
- Costs for extraordinary services to students were reduced based upon the amount or level of services that students could receive, both in-person and remotely, which led to a decrease in the amounts paid to staff and outside professionals who administer these services.
- Improvement of Instruction costs increased in response to the need to assist instructional staff in providing remote learning experiences for students.
- Salaries for Custodial Services increased due to significant overtime related to COVID-19 as the District worked diligently to clean the facilities.
- Purchased Professional and Technical services for Security were not contemplated in the original budget; however, the District engaged in a Shared Service Agreement with the Township for a School Resource Officer as well as security services provided by the Wayne Police Department for various school events which explains the budget transfers and increased costs.

The District's Health Benefit expenditures were less than budgeted due to the District's ability to negotiate a lower premium than originally projected.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Capital Assets

The District's capital assets decreased by \$192,079, or 0.30%, during the fiscal year.

**Figure A-6
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		%
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	Change 2019/20
Sites (Land)	\$ 9,263,696	\$ 9,263,696			\$ 9,263,696	\$ 9,263,696	
Construction in Progress	2,021,053	12,101,782			2,021,053	12,101,782	
Land Improvements	2,233,732	2,484,169			2,233,732	2,484,169	
Buildings and Building Improvements	46,968,543	36,209,732			46,968,543	36,209,732	
Machinery and Equipment	3,994,784	4,669,269	\$ 300,580	\$ 245,819	4,295,364	4,915,088	
Total Capital Assets, Net of Depreciation	<u>\$ 64,481,808</u>	<u>\$ 64,728,648</u>	<u>\$ 300,580</u>	<u>\$ 245,819</u>	<u>\$ 64,782,388</u>	<u>\$ 64,974,467</u>	<u>-0.30%</u>

The District expended \$3,580,693 for equipment purchases and facilities acquisition and construction services (\$1,373,538 from capital projects and \$2,113,043 from capital outlay for a total of \$3,486,581 in governmental activities, and \$94,112 from business-type activities). The District incurred \$3,733,421 and \$39,351 of depreciation related to governmental and business-type capital assets, respectively. (More detailed information about the District's capital assets is presented in Note 6 to the Basic Financial Statements).

Long-term Liabilities

The District's long-term liabilities decreased by \$5,670,453, or 7.24%, during the fiscal year. (More detailed information about the District's long-term liabilities is presented in Note 8 to the Basic Financial Statements).

**Figure A-7
Outstanding Long-Term Liabilities**

	Total School District		Percentage
	2019/20	2018/19	Change 2019/20
General Obligation Bonds, Net (Financed with Property Taxes)	\$ 10,460,000	\$ 13,070,000	
Net Pension Liability	45,632,651	47,729,849	
Unamortized Bond Issuance Premium	1,109,892	1,479,856	
Capital Leases	11,784,398	12,326,224	
Compensated Absences	3,637,344	3,688,809	
	<u>\$ 72,624,285</u>	<u>\$ 78,294,738</u>	<u>-7.24%</u>

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The COVID-19 pandemic has had an impact on the financial statements for the period ending June 2020 and will have a major financial impact on operations in the period ending June 2021. Revenues will continue to be negatively impacted by the fall off in State tax collections, unknown State ongoing emergency legislation and potential lack of ongoing Federal legislation to provide emergency aid. The pandemic has also had a negative impact on participation in the district's enterprise programs potentially causing available operating funds to be redirected to cover related shortfalls. COVID-19 expenses related to expanded cleaning, sanitizing, ventilation, staffing, and providing students and staff with appropriate personal protective equipment will strain available financial resources. Although pandemic related Federal and State resources have been made available, the likelihood that sufficient levels of aid to offset a majority of ongoing "costs" are unlikely.
- The continuation of the State imposed budget tax levy cap of 2% and the State's practice of providing for flat State Aid each year, continue to create budgetary challenges, limiting the District's ability to continue to improve upon and in some cases, maintain, its instructional range of programs and services. Fixed costs such as insurance as well as increases granted through negotiations generally exceed a 2% increase each year, requiring Districts to either continue to find efficiencies in current programs or eliminate programs, or try to identify other miscellaneous revenues to support the expenditure increases.
- The continued reduction of past total assessed valuations for the Township will continue to impact increases in the local tax burden of the community, even if the Board continues to stay within the 2% tax levy cap and not exercise any allowable budget waivers. Beginning in 2018, the continued reduction seemed to be turning around. At the start of the budget development for 2018-2019, the Township experienced an increase of \$71,225,000 in total assessed valuations and, unfortunately, experienced a decrease of \$14,649,700 in 2019-2020 and another decline of \$6,238,800 at the beginning of 2020-2021. Unfortunately, an improving trend does not look like it is materializing for a positive impact on future budgets.
- The 2013 State legislation for pension and medical/dental benefit reforms (Chapter 78) continues through its implementation. All staff is now in various stages of Tier 4 of the law's four-tier implementation cycle, which yields the highest percentage of benefit contributions to the district and offsets increasing health insurance costs. However, even with the employee contributions, the overall increases year- after- year for health benefits puts a huge strain on the district's ability to maintain programs under the 2% cap. Administration continues to work with the District's insurance broker to formulate a strategy for future negotiations to continue to make incremental changes to its benefit plan offerings.
- At year end, the District was able to deposit \$4,740,320 into its capital reserve account for required future capital project work.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Wayne Board of Education Office, 50 Nellis Drive, New Jersey 07470.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,301,018	\$ 566,676	\$ 5,867,694
Internal Balances	94,358	(94,358)	
Receivables from Other Governments	4,184,255	55,314	4,239,569
Other Receivables	2,623,562	147,321	2,770,883
Inventory		41,520	41,520
Restricted Assets:			
Cash and Cash Equivalents:			
Capital Reserve Account	6,835,014		6,835,014
Capital Assets, Net:			
Sites (Land) and Construction in Progress	11,284,749		11,284,749
Depreciable Land Improvements, Buildings and Building Improvements and Machinery and Equipment	53,197,059	300,580	53,497,639
Total Assets	<u>83,520,015</u>	<u>1,017,053</u>	<u>84,537,068</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	315,357		315,357
District Contribution Subsequent to the Measurement Date - Pensions	2,650,034	37,082	2,687,116
Deferred Outflows Related to Pensions	8,550,431	119,647	8,670,078
Total Deferred Outflows of Resources	<u>11,515,822</u>	<u>156,729</u>	<u>11,672,551</u>
LIABILITIES			
Payable to State Government	24,870		24,870
Accounts Payable	6,005,808	127,393	6,133,201
Accrued Interest Payable	413,497		413,497
Unearned Revenue	135,615	220,107	355,722
Noncurrent Liabilities:			
Due Within One Year	5,128,051		5,128,051
Due Beyond One Year	66,859,710	636,524	67,496,234
Total Liabilities	<u>78,567,551</u>	<u>984,024</u>	<u>79,551,575</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	18,017,174	252,116	18,269,290
Total Deferred Inflows of Resources	<u>18,017,174</u>	<u>252,116</u>	<u>18,269,290</u>
NET POSITION			
Net Investment in Capital Assets	41,442,875	300,580	41,743,455
Restricted for:			
Capital Projects	6,940,686		6,940,686
Excess Surplus	3,500,000		3,500,000
Unrestricted (Deficit)	(53,432,449)	(362,938)	(53,795,387)
Total Net Position (Deficit)	<u>\$ (1,548,888)</u>	<u>\$ (62,358)</u>	<u>\$ (1,611,246)</u>

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 80,956,139	\$ 477,652	\$ 19,154,947		\$ (61,323,540)		\$ (61,323,540)
Special Education	27,673,798		15,099,506		(12,574,292)		(12,574,292)
Other Special Instruction	5,146,559		1,219,000		(3,927,559)		(3,927,559)
School Sponsored/Other Instruction	6,060,522		1,104,697		(4,955,825)		(4,955,825)
Support Services:							
Tuition	7,437,223				(7,437,223)		(7,437,223)
Student & Instruction Related Services	28,675,650		6,759,054		(21,916,596)		(21,916,596)
General Administrative Services	1,657,385				(1,657,385)		(1,657,385)
School Administrative Services	9,852,344		2,361,605		(7,490,739)		(7,490,739)
Central Services	1,865,226				(1,865,226)		(1,865,226)
Administrative Information Technology	1,570,128				(1,570,128)		(1,570,128)
Plant Operations and Maintenance	17,518,352			\$ 267,435	(17,250,917)		(17,250,917)
Pupil Transportation	7,563,683		1,463,141		(6,100,542)		(6,100,542)
Interest on Long-Term Debt	325,039				(325,039)		(325,039)
Unallocated Depreciation*	2,569,242				(2,569,242)		(2,569,242)
Total Governmental Activities	198,871,290	477,652	47,161,950	267,435	(150,964,253)		(150,964,253)

* - Excludes direct depreciation expenses of the various programs.

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 2,330,940	\$ 1,784,042	\$ 456,869		\$ (90,029)	\$ (90,029)	
Community Education Program	8,561	10,950			2,389	2,389	
Wrap Around Program	582,425	419,161			(163,264)	(163,264)	
Extended Day Program	1,103,937	799,146			(304,791)	(304,791)	
Total Business-Type Activities	4,025,863	3,013,299	456,869		(555,695)	(555,695)	
Total Primary Government	\$ 202,897,153	\$ 3,490,951	\$ 47,618,819	\$ 267,435	\$ (150,964,253)	(555,695)	(151,519,948)

General Revenues, Transfers and Other Items:

Taxes:							
Property Taxes, Levied for General Purposes, Net				152,192,308			152,192,308
Taxes Levied for Debt Service				3,145,975			3,145,975
Federal and State Aid not Restricted				237,859			237,859
Investment Earnings				157,644			157,644
Miscellaneous Income				1,012,406			1,012,406
Transfers				(44,790)		44,790	
Other Items:							
SDA Grants Cancelled				(1,124)			(1,124)
Food Service Management Contractor Contribution					100,000		100,000
Total General Revenues, Transfers and Other Items				156,700,278	144,790		156,845,068
Change in Net Position				5,736,025	(410,905)		5,325,120
Net Position (Deficit) - Beginning (Restated)				(7,284,913)	348,547		(6,936,366)
Net Position (Deficit) - Ending				\$ (1,548,888)	\$ (62,358)		\$ (1,611,246)

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

FUND FINANCIAL STATEMENTS

WAYNE TOWNSHIP PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 3,080,531	\$ 1,863	\$ 2,218,624		\$ 5,301,018
Interfund Receivable	217,825				217,825
Receivables from Other Governments	3,342,408	841,847			4,184,255
Other Receivables	2,622,639	923			2,623,562
Restricted Cash and Cash Equivalents	6,835,014				6,835,014
Total Assets	\$ 16,098,417	\$ 844,633	\$ 2,218,624	\$ - 0 -	\$ 19,161,674
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable			\$ 123,467		\$ 123,467
Payable to State Government		\$ 24,870			24,870
Accounts Payable	\$ 1,694,117	700,953	960,704		3,355,774
Unearned Revenue	16,805	118,810			135,615
Total Liabilities	1,710,922	844,633	1,084,171		3,639,726
Fund Balances:					
Restricted:					
Capital Reserve Account	6,835,014				6,835,014
Excess Surplus - Designated for Subsequent Year's Expenditures	1,750,000				1,750,000
Excess Surplus	1,750,000				1,750,000
Capital Projects Fund			105,672		105,672
Committed:					
Capital Projects Fund			1,028,781		1,028,781
Assigned:					
Encumbrances	314,673				314,673
Unassigned	3,737,808				3,737,808
Total Fund Balances	14,387,495		1,134,453		15,521,948
Total Liabilities and Fund Balances	\$ 16,098,417	\$ 844,633	\$ 2,218,624	\$ - 0 -	\$ 19,161,674

Amounts reported for *Governmental Activities* in the Statement of Net Position (A-1) are different because:

Total Fund Balances (From Above)	\$ 15,521,948
Capital Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	64,481,808
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(45,002,920)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions	8,550,431
Deferred Inflows of Resources Related to Pensions	(18,017,174)
Long-Term Liabilities, including Bonds Payable, Capital Leases Payable and Compensated Absences Payable are not due and payable in the current period and therefore are not reported as Liabilities in the Funds.	(25,874,949)
Bond Premiums are reported in the Governmental Funds as revenue in the year that Bonds are issued.	(1,109,892)
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(413,497)
The Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the expenditure.	315,357
Net Position (Deficit) of Governmental Activities	\$ (1,548,888)

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 152,192,308			\$ 3,145,975	\$ 155,338,283
Tuition	477,652				477,652
Miscellaneous Revenues	1,170,050	\$ 152,668			1,322,718
Total - Local Sources	153,840,010	152,668		3,145,975	157,138,653
State Sources	33,364,536	740,528	\$ 267,435		34,372,499
Federal Sources	82,391	2,629,493			2,711,884
Total Revenues	187,286,937	3,522,689	267,435	3,145,975	194,223,036
EXPENDITURES					
Current:					
Regular Instruction	46,424,451	1,107,253			47,531,704
Special Education Instruction	14,794,170	1,736,488			16,530,658
Other Special Instruction	2,934,852				2,934,852
School Sponsored/Other Instruction	4,027,464				4,027,464
Support Services and Undistributed Costs:					
Tuition	7,437,223				7,437,223
Student & Instruction Related Services	16,924,744	645,565			17,570,309
General Administrative Services	1,441,600				1,441,600
School Administrative Services	5,756,123				5,756,123
Central Services	1,469,560				1,469,560
Administration Information Technology	1,904,937				1,904,937
Plant Operations and Maintenance	15,259,727				15,259,727
Pupil Transportation	6,341,349				6,341,349
Unallocated Benefits	57,594,666				57,594,666
Capital Outlay	2,549,808	33,383	1,373,538		3,956,729
Debt Service:					
Principal				2,610,000	2,610,000
Interest and Other Charges				535,975	535,975
Total Expenditures	184,860,674	3,522,689	1,373,538	3,145,975	192,902,876
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	2,426,263		(1,106,103)		1,320,160
OTHER FINANCING SOURCES/(USES)					
Capital Leases (non-budgeted)	1,495,600				1,495,600
SDA Grants Canceled			(1,124)		(1,124)
Transfers In			2,354,559		2,354,559
Transfers Out	(2,399,349)				(2,399,349)
Total Other Financing Sources/(Uses)	(903,749)		2,353,435		1,449,686
Net Change in Fund Balances	1,522,514		1,247,332		2,769,846
Fund Balance/(Deficit) - July 1	12,864,981		(112,879)		12,752,102
Fund Balance - June 30	\$ 14,387,495	\$ - 0 -	\$ 1,134,453	\$ - 0 -	\$ 15,521,948

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 2,769,846

Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit A-2) are Different Because:

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

Depreciation expense	\$ (3,733,421)
Capital outlays	<u>3,486,581</u>
	(246,840)

Capital leases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities. (1,495,600)

Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 2,037,426

Repayment of debt service principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 2,610,000

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. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+). 100,146

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

Change in Net Pension Liability	2,068,257
Change in Deferred Outflows	(2,600,727)
Change in Deferred Inflows	182,985

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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 45,687

The governmental funds report the effect of bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (+) 369,964

The governmental funds report the effect of deferred amount on refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (-) (105,119)

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 5,736,025

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds		
	Major Funds	Non-Major Funds	Totals
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 447,597	\$ 119,079	\$ 566,676
Accounts Receivable:			
Other Governments:			
Federal	49,026		49,026
State	6,288		6,288
Other	147,321		147,321
Inventories	41,520		41,520
Total Current Assets	691,752	119,079	810,831
Non-Current Assets:			
Capital Assets	1,273,285		1,273,285
Less: Accumulated Depreciation	(972,705)		(972,705)
Total Non-Current Assets	300,580	- 0 -	300,580
Total Assets	992,332	119,079	1,111,411
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows Related to Pensions	119,647		119,647
District Contribution Subsequent to the Measurement Date - Pensions	37,082		37,082
Total Deferred Outflows of Resources	156,729		156,729

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Funds</u>	<u>Non-Major Funds</u>	<u>Totals</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable	\$ 127,150	\$ 243	\$ 127,393
Interfund Payable - General Fund	94,358		94,358
Unearned Revenue:			
Donated Commodities	42,521		42,521
Prepaid Sales	18,361		18,361
Prepaid Program Fees	88,500	70,725	159,225
Long-term Liabilities:			
Net Pension Liability	629,731		629,731
Compensated Absences Payable	6,793		6,793
Total Liabilities	<u>1,007,414</u>	<u>70,968</u>	<u>1,078,382</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows Related to Pensions	<u>252,116</u>		<u>252,116</u>
Total Deferred Inflows of Resources	<u>252,116</u>		<u>252,116</u>
<u>NET POSITION/(DEFICIT):</u>			
Investment in Capital Assets	300,580		300,580
Unrestricted/(Deficit)	<u>(411,049)</u>	<u>48,111</u>	<u>(362,938)</u>
Total Net Position/(Deficit)	<u>\$ (110,469)</u>	<u>\$ 48,111</u>	<u>\$ (62,358)</u>

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30,2020

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Funds</u>	<u>Non-Major Funds</u>	<u>Totals</u>
Operating Revenue:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 744,868		\$ 744,868
Daily Sales - Non-Reimbursable Programs	744,868		744,868
Special Events	294,306		294,306
Program Fees	799,146	\$ 430,111	1,229,257
Total Operating Revenue	<u>2,583,188</u>	<u>430,111</u>	<u>3,013,299</u>
Operating Expenses:			
Cost of Sales - Reimbursable Programs	372,995		372,995
Cost of Sales - Non-Reimbursable Programs	372,995		372,995
Salaries	1,358,596	547,003	1,905,599
Employee Benefits	370,596		370,596
Other Purchased Services	308,371		308,371
Management Fee	279,500		279,500
Supplies and Materials	305,800	43,983	349,783
Other Objects	26,673		26,673
Depreciation Expense	39,351		39,351
Total Operating Expenses	<u>3,434,877</u>	<u>590,986</u>	<u>4,025,863</u>
Operating Income (Loss)	<u>(851,689)</u>	<u>(160,875)</u>	<u>(1,012,564)</u>
Non-Operating Revenue:			
Federal Sources:			
National School Lunch Program	227,266		227,266
Covid19 - Seamless Summer Option - Lunch	62,636		62,636
School Breakfast Program	14,149		14,149
Covid19 - Seamless Summer Option - Breakfast	35,388		35,388
Special Milk Program	671		671
Food Distribution Program	97,526		97,526
State Sources:			
School Lunch Program	15,486		15,486
Covid19 - Seamless Summer Option - Lunch	3,747		3,747
Total Non-Operating Revenue	<u>456,869</u>		<u>456,869</u>
Change in Net Position Before Transfers and Other Items	(394,820)	(160,875)	(555,695)
Transfers In - General Fund	44,790		44,790
Other Item - Food Service Management Contractor Contribution	100,000		100,000
Change in Net Position After Transfers and Other Items	(250,030)	(160,875)	(410,905)
Net Position - Beginning of Year (Restated)	<u>139,561</u>	<u>208,986</u>	<u>348,547</u>
Net Position/(Deficit) - End of Year	<u>\$ (110,469)</u>	<u>\$ 48,111</u>	<u>\$ (62,358)</u>

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Funds</u>	<u>Non-Major Funds</u>	<u>Totals</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 2,615,926	\$ 358,186	\$ 2,974,112
Payments to Employees	(706,055)	(547,003)	(1,253,058)
Payments to Food Service Vendor	(2,198,421)		(2,198,421)
Payments to Suppliers	(870,205)	(66,783)	(936,988)
Net Cash Used for Operating Activities	<u>(1,158,755)</u>	<u>(255,600)</u>	<u>(1,414,355)</u>
Cash Flows from Capital Financing Activities:			
Acquisition of Capital Assets	(94,112)		(94,112)
Net Cash Used for Capital Financing Activities	<u>(94,112)</u>	<u>- 0 -</u>	<u>(94,112)</u>
Cash Flows from Noncapital Financing Activities:			
Federal Sources	322,762		322,762
State Sources	16,202		16,202
Payments from General Fund	318,128		318,128
Net Cash Provided by Noncapital Financing Activities	<u>657,092</u>	<u>- 0 -</u>	<u>657,092</u>
Net Decrease in Cash and Cash Equivalents	(595,775)	(255,600)	(851,375)
Cash and Cash Equivalents, July 1	<u>1,043,372</u>	<u>374,679</u>	<u>1,418,051</u>
Cash and Cash Equivalents, June 30	<u>\$ 447,597</u>	<u>\$ 119,079</u>	<u>\$ 566,676</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:			
Operating Income (Loss)	\$ (851,689)	\$ (160,875)	\$ (1,012,564)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities:			
Depreciation	39,351		39,351
Federal Food Distribution Program	97,526		97,526
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(24,975)		(24,975)
(Increase) in Inventory	(11,180)		(11,180)
(Decrease) in Accounts Payable	(464,614)	(22,800)	(487,414)
(Decrease) in Compensated Absences Payable	(5,778)		(5,778)
Increase/(Decrease) in Unearned Revenue	57,713	(71,925)	(14,212)
(Decrease) in Net Pension Liability	(28,941)		(28,941)
Decrease in Deferred Outflows Related to Pensions	36,392		36,392
(Decrease) in Deferred Inflows Related to Pensions	(2,560)		(2,560)
Net Cash Used for Operating Activities	<u>\$ (1,158,755)</u>	<u>\$ (255,600)</u>	<u>\$ (1,414,355)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$133,732 and \$97,526 respectively, for the fiscal year ended June 30, 2020.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	<u>Agency Funds</u>	<u>Trust Funds</u>
ASSETS:		
Cash and Cash Equivalents	\$ 718,863	\$ 396,614
Investments		90,182
Total Assets	<u>718,863</u>	<u>486,796</u>
LIABILITIES:		
Accounts Payable - Vendors	28,113	
Payroll Deductions and Withholdings	41,219	
Due to Student Groups	<u>649,531</u>	
Total Liabilities	<u>718,863</u>	<u>- 0 -</u>
NET POSITION:		
Held in Trust for:		
Unemployment Claims		331,794
Flexible Spending Claims		64,820
Restricted for Scholarships		<u>90,182</u>
Total Net Position	<u>\$ - 0 -</u>	<u>\$ 486,796</u>

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30,2020

	Trust
ADDITIONS:	
Contributions:	
Plan Members	\$ 512,363
Donations	32,867
	545,230
Total Contributions	
Investment Earnings:	
Interest	269
	269
Net Investment Earnings	
	545,499
Total Additions	
DEDUCTIONS:	
Quarterly Contribution Reports and Unemployment Benefit Claims	250,721
Flexible Spending Claims	218,282
Scholarships Awarded	26,851
	495,854
Total Deductions	
Change in Net Position	49,645
Net Position - Beginning of the Year	437,151
Net Position - End of the Year	\$ 486,796

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses in the program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

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

The District reports the following proprietary funds:

Enterprise (Food Service, Community Education, Wrap Around and Extended Day Programs) Funds: The Enterprise Funds 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 (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fiduciary fund types:

Fiduciary Funds: The Fiduciary Funds include Trust and Agency Funds which are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District. Trust Funds include Unemployment Compensation, Flexible Spending, Private Purpose Scholarship Trust Fund and are accounted for in the same manner as governmental funds. Unemployment and Flexible Spending Funds are used to record employee contributions and related payments. The Private Purpose Scholarship Fund is used to record donations and scholarship payments. Agency Funds are purely custodial (assets equal liabilities) and do not involve measurements of results of operations.

C. Measurement Focus and Basis of Accounting:

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

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

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2020 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2 (m) 1. All budget amendments/transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the Special Revenue Fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of Schools Development Authority ("SDA") grants. These grants are recognized on the budgetary basis in full when they are awarded but recognized on the GAAP basis only to the extent of expenditures which have been submitted for reimbursement.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 187,311,902	\$ 3,634,078
Difference - Budgetary to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP basis does not.		
Current Year Encumbrances		(111,681)
Prior Year Encumbrances		292
Prior Year State aid payments recognized for GAAP statements, not recognized for budgetary purposes	445,992	
Current Year State aid payments recognized for budgetary purposes, not recognized for GAAP statements	(470,957)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 187,286,937	\$ 3,522,689
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 184,860,674	\$ 3,634,078
Differences - Budgetary to GAAP:		
Encumbrances for Supplies and Equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(111,681)
Prior Year Encumbrances		292
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 184,860,674	\$ 3,522,689
		Capital Projects Fund - Revenue
Revenue per Summary Schedule of Revenue, Expenditures and Changes in Fund Balance(Budgetary Basis)		\$ - 0 -
Reconciliation to Governmental Funds Statement (GAAP):		
Grant Revenue/Receivable Recognized/(Not Recognized) on GAAP Basis:		
State SDA		267,435
Revenue per Governmental Funds (GAAP)		\$ 267,435

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

H. Encumbrances:

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year-end.

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise and general funds represent payments made to vendors for services that will benefit periods beyond June 30, 2020.

K. Capital Assets:

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings	20-50 years
Building Improvements	25 years
Land Improvements	20 years
Machinery and Equipment	10 to 20 years
Office and Computer Equipment	5 to 10 years
Vehicles	8 years

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages for this purpose as of June 30, 2020.

N. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation, personal and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation and personal time. The District's 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 District for the unused sick leave in accordance with the District's agreements with the various employee unions.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$14,387,495 General Fund balance at June 30, 2020, \$314,673 is assigned for encumbrances; \$6,835,014 is restricted in the capital reserve account; \$1,750,000 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ending June 30, 2022; \$1,750,000 is restricted for prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2021; and \$3,737,808 is unassigned which is \$470,957 less on the GAAP basis than the calculated maximum unassigned fund balance due to the June state aid payments that are not recognized until the fiscal year ending June 30, 2021.

Capital Projects Fund: Of the \$1,134,453 Capital Projects Fund balance at June 30, 2020, \$105,672 is restricted and \$1,028,781 is committed.

Debt Service Fund: The Debt Service Fund balance at June 30, 2020 is \$-0-.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended, the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus as outlined above.

N.J.A.C. 6A:23A-8.5(j) provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

Q. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital reserve and the Capital Projects Fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources in the Capital Projects Fund at June 30, 2020.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for encumbrances in the General Fund at June 30, 2020.

R. Deficit Net Position:

The District has a \$53,432,449 deficit in unrestricted net position and a \$1,548,888 deficit in total net position from governmental activities, primarily due to the accrual of compensated absences payable, unamortized bond issuance premiums, net pension liability and the related deferred inflows and outflows. The District also has a \$362,938 deficit in unrestricted net position and a \$62,358 deficit in total net position from business-type activities and a \$411,049 deficit in unrestricted net position in the Extended Day Program Enterprise Fund due to the accrual of net pension liability, the related deferred inflows and outflows in the Extended Day Program Enterprise Fund. These deficit balances do not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

S. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2020 for the deferred amount on refunding of debt related to the District's 2012 refunding bonds and pensions.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

S. Net Position: (Cont'd)

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had a deferred inflow of resources at June 30, 2020 for pensions.

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

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

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

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

T. Revenue - Exchange and Nonexchange Transactions:

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest and tuition.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activities of the Enterprise Funds. For the School District, these revenues are charges for sales of food for food service and program fees for the community education, wrap around and extended day programs. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates:

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

W. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

Credit Risk – The Board limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

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

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local units or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law”, P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

Investments: (Cont'd)

- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

Investments: (Cont'd)

As of June 30, 2020, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>	<u>Restricted Cash and Cash Equivalents Capital Reserve Account</u>	<u>Investments</u>	<u>Total</u>
Checking Accounts	\$ 6,983,171	\$ 6,835,014		\$ 13,818,185
Certificates of Deposit			\$ 90,182	90,182
	<u>\$ 6,983,171</u>	<u>\$ 6,835,014</u>	<u>\$ 90,182</u>	<u>\$ 13,908,367</u>

During the period ended June 30, 2020, the District did not hold any investments other than certificates of deposit, which has a maturity of less than one year. The carrying amount of the Board's cash and cash equivalents and investments at June 30, 2020 was \$13,908,367 and the bank balance was \$16,881,404.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

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

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

Beginning Balance, July 1, 2019	\$ 5,286,241
Interest Earnings	5,083
Unexpended Balance Returned - Capital Outlay	56,370
Deposit by Board Resolution - June 2020	4,740,320
Budgeted Withdrawal from Capital Reserve - Capital Outlay	(898,441)
Budgeted Withdrawal from Capital Reserve - Capital Projects	<u>(2,354,559)</u>
Ending Balance, June 30, 2020	<u>\$ 6,835,014</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

The balance in the capital reserve account at June 30, 2020 does not exceed the balance of local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2020, the District did not have any transfers to capital outlay.

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2020 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Sites (Land)	\$ 9,263,696			\$ 9,263,696
Construction in Progress	12,101,782	\$ 2,021,053	\$ (12,101,782)	2,021,053
Total Capital Assets Not Being Depreciated	<u>21,365,478</u>	<u>2,021,053</u>	<u>(12,101,782)</u>	<u>11,284,749</u>
Capital Assets Being Depreciated:				
Land Improvements	10,703,195	132,619		10,835,814
Buildings and Building Improvements	88,274,403	683,580	12,101,782	101,059,765
Machinery and Equipment	22,367,986	649,329	(34,669)	22,982,646
Total Capital Assets Being Depreciated	<u>121,345,584</u>	<u>1,465,528</u>	<u>12,067,113</u>	<u>134,878,225</u>
Governmental Activities Capital Assets	<u>142,711,062</u>	<u>3,486,581</u>	<u>(34,669)</u>	<u>146,162,974</u>
Less Accumulated Depreciation for:				
Land Improvements	(8,219,026)	(383,056)		(8,602,082)
Buildings and Building Improvements	(52,064,671)	(2,026,551)		(54,091,222)
Machinery and Equipment	(17,698,717)	(1,323,814)	34,669	(18,987,862)
	<u>(77,982,414)</u>	<u>(3,733,421)</u>	<u>34,669</u>	<u>(81,681,166)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 64,728,648</u>	<u>\$ (246,840)</u>	<u>\$ - 0 -</u>	<u>\$ 64,481,808</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 1,179,173	\$ 94,112		\$ 1,273,285
Less Accumulated Depreciation	(933,354)	(39,351)		(972,705)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 245,819</u>	<u>\$ 54,761</u>	<u>\$ - 0 -</u>	<u>\$ 300,580</u>

The increases totaling \$3,580,693 represent current year capitalized expenditures in the general fund, the capital projects fund and the food service enterprise fund. As of June 30, 2020, the District has \$2,021,053 in active construction projects with unexpended balances of \$1,134,453.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 553,401
School Sponsored/Other Instruction	28,739
Student and Instruction Related Services	28,942
General Administrative Services	167
School Administrative Services	2,124
Central Services	294
Plant Operations and Maintenance	123,866
Pupil Transportation	426,646
Unallocated	<u>2,569,242</u>
	<u>\$ 3,733,421</u>

NOTE 7. OPERATING LEASES

The District has commitments to lease copying equipment under operating leases which expire in 2023. Total operating lease payments made during the year ended June 30, 2020 were \$310,087. Future minimum lease payments are as follows:

Fiscal Year Ended June 30,	Amount
2021	\$ 310,087
2022	310,087
2023	<u>310,087</u>
	<u>\$ 930,261</u>

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2020, the following changes occurred in liabilities reported in the District-wide financial statements:

	Balance 6/30/2019 *	Issued/ Added	Retired	Balance 6/30/2020	Balance Due Within One Year
Governmental Funds:					
Serial Bonds Payable	\$ 13,070,000		\$ 2,610,000	\$ 10,460,000	\$ 2,615,000
Unamortized Bond					
Issuance Premium	1,479,856		369,964	1,109,892	369,964
Net Pension Liability	47,071,177		2,068,257	45,002,920	- 0 -
Capital Leases Payable	12,326,224	\$ 1,495,600	2,037,426	11,784,398	2,005,921
Compensated Absences Payable	3,676,238	227,046	272,733	3,630,551	137,166
Total Governmental Funds	<u>77,623,495</u>	<u>1,722,646</u>	<u>7,358,380</u>	<u>71,987,761</u>	<u>5,128,051</u>

* Restated

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

	Balance 6/30/2019 *	Issued/ Added	Retired	Balance 6/30/2020	Balance Due Within One Year
Proprietary Funds:					
Net Pension Liability	\$ 658,672		\$ 28,941	\$ 629,731	\$ - 0 -
Compensated Absences Payable	12,571		5,778	6,793	- 0 -
Total Proprietary Funds	671,243	\$ - 0 -	34,719	636,524	- 0 -
Total All Funds	\$ 78,294,738	\$ 1,722,646	\$ 7,393,099	\$ 72,624,285	\$ 5,128,051

* Restated

A. Bonds Payable:

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

The District had bonds outstanding as of June 30, 2020 as follows:

Purpose	Final Maturity	Interest Rate	Amount
School Refunding Bonds	07/15/23	4.00% - 5.00%	\$ 10,460,000

Principal and interest due on the District's serial bonds outstanding is as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 2,615,000	\$ 431,475	\$ 3,046,475
2022	2,610,000	313,925	2,923,925
2023	2,620,000	183,175	2,803,175
2024	2,615,000	58,838	2,673,838
	\$ 10,460,000	\$ 987,413	\$ 11,447,413

B. Bonds Authorized But Not Issued:

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

C. Capital Leases Payable:

The District has capital leases payable for equipment, buses, chromebooks turf fields and an energy savings improvement program as of June 30, 2020. The leases for equipment, buses, chromebooks and turf fields are for five years with the final payments occurring in fiscal years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 while the energy savings improvement program lease is for fifteen years with the final payment occurring in fiscal year 2029-30.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

C. Capital Leases Payable: (Cont'd)

The gross amount of assets acquired under capital leases have been classified as building improvements and machinery and equipment in the District's capital assets. The District has entered into capital leases totaling \$24,052,568 of which \$12,268,170 has been liquidated as of June 30, 2020. The capital lease amount liquidated for building and building improvements was \$557,777. The capital lease amount liquidated for machinery and equipment was \$1,479,649.

The schedule of the future minimum lease payments under the District's capital leases and the present value of the net minimum lease payments at June 30, 2020 are detailed below.

<u>Year</u>	<u>Amount</u>
2021	\$ 2,324,344
2022	1,911,986
2023	1,616,674
2024	1,528,438
2025	1,389,626
2026-2030	<u>4,827,821</u>
	13,598,889
Less: Amount representing interest	<u>(1,814,491)</u>
Present value of net minimum lease payments	<u><u>\$ 11,784,398</u></u>

The current portion of capital leases payable at June 30, 2020 is \$2,005,921 and the long-term portion is \$9,778,477. The General Fund will be used to liquidate capital leases payable.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds at June 30, 2020 is \$137,166 and is shown separately from the long-term portion of compensated absences of \$3,493,385.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2020, there was a long-term liability of \$6,793 for compensated absences in the Extended Day Program Fund.

Compensated Absences Payable will be liquidated by the General Fund with the exception of the compensated absences in the Proprietary Funds, which will be liquidated by the Extended Day Program Fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2020 is \$-0- and the long-term portion is \$45,002,920. The Public Employees' Retirement System's (PERS) net pension liability of the proprietary fund types is recorded in the current and long-term liabilities and will be liquidated by the Extended Day Program Enterprise Fund. The current portion of the net pension liability at June 30, 2020 is \$-0- and the long-term portion is \$629,731. See Note 9 for further information on the PERS.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

F. Unamortized Bond Issuance Premium:

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$369,964 and is separated from the long-term liability balance of \$739,928.

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$2,475,405 for 2020.

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

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

At June 30, 2020, the District reported a liability of \$45,632,651 for its proportionate share of the net pension liability. 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 District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the District's proportion was 0.253%, which was an increase of 0.011% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$2,825,641. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2014	6.44	\$ 120,597	
	2015	5.72	745,683	
	2016	5.57	3,690,308	
	2017	5.48		\$ (6,550,733)
	2018	5.63		(5,293,595)
	2019	5.21		(3,994,621)
			<u>4,556,588</u>	<u>(15,838,949)</u>
Difference Between Expected & Actual Experience	2015	5.72	206,886	
	2016	5.57	111,991	
	2017	5.48	194,818	
	2018	5.63		(201,585)
	2019	5.21	305,351	
			<u>819,046</u>	<u>(201,585)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Proportion	2014	6.44		\$ (288,187)
	2015	5.72	\$ 663,955	
	2016	5.57	168,115	
	2017	5.48	477,887	
	2018	5.63		(1,220,240)
	2019	5.21	<u>1,984,487</u>	
			<u>3,294,444</u>	<u>(1,508,427)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2015	5.00		
	2016	5.00		842,251
	2017	5.00		(1,010,756)
	2018	5.00		(703,061)
	2019	5.00		<u>151,237</u>
				<u>(720,329)</u>
District Contribution Subsequent to the Measurement Date	2019	1.00	<u>2,687,116</u>	
			<u>\$ 11,357,194</u>	<u>\$ (18,269,290)</u>

The District contribution subsequent to the measurement date is the contribution due April 1, 2021 and relates to the fiscal year ended June 30, 2019 and is reported as a deferred outflow of resources related to pensions. Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District contribution subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2020	\$ (1,317,663)
2021	(4,274,474)
2022	(3,816,856)
2023	(1,792,211)
2024	<u>(184,025)</u>
	<u>\$ (11,385,229)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
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%

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

Long Term Expected Rate of Return

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Management 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 Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

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 made based on 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.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2019 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
District's proportionate share of the Net Pension Liability	\$ 58,042,448	\$ 45,632,651	\$ 35,760,591

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to 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 members 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 members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2020, the State of New Jersey contributed \$13,914,481 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$22,681,805.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2020, the State's proportionate share of the net pension liability associated with the District was \$384,550,304. 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 District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2019, the District's proportion was 0.627%, which was a decrease of 0.018% from its proportion measured as of June 30, 2018.

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability		
Associated with the District		384,550,304
Total	\$	384,550,304

For the fiscal year ended June 30, 2020, the State recognized pension expense on behalf of the District in the amount of \$22,681,805 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2020 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.5	\$ 768,874,621	
	2015	8.3	2,351,172,865	
	2016	8.3	5,609,216,856	
	2017	8.3		\$ 8,483,527,374
	2018	8.29		5,172,258,445
	2019	8.04		3,507,345,617
				8,729,264,342
Difference Between Expected and Actual Experience	2014	8.5		7,323,009
	2015	8.3	145,211,243	
	2016	8.3		69,755,412
	2017	8.3	150,939,884	
	2018	8.29	907,352,137	
	2019	8.04		136,265,890
				1,203,503,264

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2016	5		\$ (431,855,192)
	2017	5		452,016,524
	2018	5		288,091,115
	2019	5		(144,882,771)
				163,369,676
				\$ 9,932,767,606
				\$ 17,539,845,423

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

Fiscal Year Ending June 30,	Total
2020	\$ (272,405,510)
2021	(704,260,700)
2022	(630,562,767)
2023	(1,216,378,743)
2024	(2,381,316,232)
Thereafter	(2,402,153,865)
	\$ (7,607,077,817)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55 – 4.45% based on years of service
Thereafter	2.75 – 5.65% based on years of service
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.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-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 pension plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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:

<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 Market Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 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 made based on 70% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2054. Therefore, the long-term expected rate of return on pension 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 State's Proportionate Share of the Net Pension Liability Associated with the District to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2019 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (4.60%)	At Current Discount Rate (5.60%)	At 1% Increase (6.60%)
State's Proportionate Share of the Net Pension Liability Attributable to the District	\$ 453,469,922	\$ 384,550,304	\$ 327,368,784

Pension Plan Fiduciary Net Position- TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

For DCRP, the District recognized pension expense of \$105,537 for the year ended June 30, 2020. Employee contributions to DCRP amounted to \$150,505 for the year ended June 30, 2020.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District has health benefits coverage for its employees under Horizon Blue Cross Blue Shield of New Jersey.

Property and Liability Insurance

The Wayne Township Public Schools District is a member of the New Jersey Schools Insurance Group (the "Group"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

There were no insurance settlements which exceeded insurance coverage in the past three years.

Selected, summarized financial information for the Group as of June 30, 2020 was not yet available at the time of audit. Information as of June 30, 2019 is as follows:

Total Assets	\$ 359,852,548
Net Position	<u>\$ 107,824,596</u>
Total Revenue	<u>\$ 140,293,549</u>
Total Expenses	<u>\$ 115,049,808</u>
Change in Net Position	<u>\$ 25,243,741</u>
Member Dividends	<u>\$ -0-</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

Financial statements for the Group are available at the Group's Office or website:

New Jersey Schools Insurance Group
6000 Midlantic Drive Suite 300 North
Mount Laurel, NJ 08054
(609) 386-6060
www.njsig.org

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ -0-	\$ -0-	\$ 274,566	\$ 250,721	\$ 331,794
2018-2019	-0-	-0-	248,857	207,879	307,949
2017-2018	-0-	-0-	248,939	269,804	266,971

NOTE 11. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 12. DEFERRED COMPENSATION

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

The plan administrators are as follows:

403(b)

AIG Retirement Services
AXA Equitable
Lincoln Investment Planning
MetLife
Security Benefit
TIAA-CREF

457

AIG Retirement Services
AXA Equitable
Lincoln Investment Plannir
IPX Vanguard
IPX Fidelity

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The following interfund balances remained on the balance sheet at June 30, 2020:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 217,825	
Capital Projects Fund		\$ 123,467
Proprietary Fund - Food Service Enterprise Fund		94,358
	<u>\$ 217,825</u>	<u>\$ 217,825</u>

The interfund payable from the Capital Projects Fund due to the General Fund is for the remaining unexpended balance of a capital project that is due to General Fund. The interfund payable from the Food Service Enterprise Fund due to the General Fund is for expenses paid by the General Fund on behalf of the Food Service Enterprise Fund.

During the fiscal year, the General Fund transferred \$44,790 to the Food Service Enterprise Fund for the current year board contribution.

NOTE 14. RECEIVABLES FROM OTHER GOVERNMENTS

The following receivables due from other governments existed as of June 30, 2020:

	<u>Governmental Funds</u>			<u>Business- Type Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>
Federal		\$ 828,133	\$ 828,133	\$ 49,026
State	\$ 3,342,408	13,714	3,356,122	6,288
	<u>\$ 3,342,408</u>	<u>\$ 841,847</u>	<u>\$ 4,184,255</u>	<u>\$ 55,314</u>

All receivables are expected to be collected within one year of the end of the fiscal year.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 15. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2020:

	<u>Governmental Funds</u>			<u>District Contribution Subsequent to the Measurement Date</u>	<u>Total Governmental Activities</u>	<u>Business- Type Activities Proprietary Funds</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>			
Salaries	\$ 80,437				\$ 80,437	
Vendors	1,613,680	\$ 700,953	\$ 960,704		3,275,337	\$ 90,311
Due to:						
State of New Jersey				\$ 2,650,034	2,650,034	37,082
	<u>\$ 1,694,117</u>	<u>\$ 700,953</u>	<u>\$ 960,704</u>	<u>\$ 2,650,034</u>	<u>\$ 6,005,808</u>	<u>\$ 127,393</u>

NOTE 16. CONTINGENCIES

Litigation

The Board is periodically involved in claims and lawsuits, including personnel matters, arising in the normal course of business. The Board does not believe that the ultimate outcome of these claims will have a material adverse effect on the District's financial position.

Grant Programs

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

Encumbrances

At June 30, 2020, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

<u>Governmental Funds</u>			
<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<u>\$ 314,673</u>	<u>\$ 111,681</u>	<u>\$ 265,408</u>	<u>\$ 691,762</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2020, \$-0- is assigned for encumbrances in the Special Revenue Fund, which is \$111,681 less than the actual encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. On the GAAP basis, the year-end encumbrances of \$265,408 in the Capital Projects Fund are included in the \$1,028,781 of committed fund balance.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 17. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the School District on a predetermined mutually agreed-upon schedule.

NOTE 18. TAX ABATEMENTS

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

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

The Township of Wayne recognized revenue in the amount of \$442,494 from four payment in lieu of taxes ("PILOT") agreements. The taxes which would have been paid on these properties for 2019 without the abatement would have been \$2,585,553 of which \$1,376,242 would have been for the local school tax.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education 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 GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

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

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	148,051
Active Plan Members	<u>216,892</u>
Total	<u><u>364,943</u></u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)
(Cont'd)

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, 2017 which was rolled forward to June 30, 2018.

Actuarial Assumptions and Other Inputs

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

Inflation Rate	2.50%	
	TPAF/ABP	PERS
Salary Increases:		
Through 2026	1.55 - 3.05% based on service years	2.00 - 6.00% based on service years
Thereafter	1.55 - 3.05% based on service years	3.00 - 7.00% based on service years

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 and July 1, 2014 – June 30, 2018 for TPAF and PERS, respectively.

Mortality Rates

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)
(Cont'd)

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%, a change of -.37%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2018	\$ 262,765,656
Changes for Year:	
Service Cost	10,013,027
Interest on the Total OPEB Liability	10,419,666
Changes of Assumptions	3,574,534
Differences between Expected and Actual Experience	(39,892,390)
Gross Benefit Payments by the State	(7,359,284)
Contributions from Members	218,150
Net Changes	(23,026,297)
Balance at June 30, 2019	\$ 239,739,359

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)
(Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2019, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
Total OPEB Liability Attributable to the District	\$ 283,226,921	\$ 239,739,359	\$ 205,195,223

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2019 calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 197,534,546	\$ 239,739,359	\$ 295,609,865

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

For the fiscal year ended June 30, 2020 the District recognized OPEB expense of \$6,917,409 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 19. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)
(Cont'd)

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

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2019 the District had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	<u>Deferral Year</u>	<u>Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2017	9.54		\$ 27,910,509
	2018	9.51		24,006,815
	2019	9.29	<u>\$ 3,189,761</u>	<u>51,917,324</u>
			<u>3,189,761</u>	<u>51,917,324</u>
Differences Between Expected and Actual Experience	2018	9.51		22,693,910
	2019	9.29		37,543,670
				<u>60,237,580</u>
Changes in Proportion	N/A	N/A	<u>7,975,214</u>	
			<u>\$ 11,164,975</u>	<u>\$ 112,154,904</u>

N/A - Not Available

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

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2020	\$ (14,630,152)
2021	(14,630,152)
2022	(14,630,152)
2023	(14,630,152)
2024	(14,630,152)
Thereafter	<u>(35,814,383)</u>
	<u>\$ (108,965,143)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 20. PRIOR PERIOD ADJUSTMENTS

The District made a prior year adjustment in the District Wide Financial Statements and the Proprietary Fund's Statement of Revenue, Expenses and Changes in Net Position to record the net pension liability and the related deferred inflows and outflows of resources related to pension for the Extended Day Program Enterprise Fund as of June 30, 2019.

	<u>Balance</u> <u>6/30/2019</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance</u> <u>6/30/2019</u> <u>as Restated</u>
<u>Statement of Net Position - District-Wide Statements:</u>			
Governmental Activities:			
Deferred Outflows of Resources:			
Deferred Outflows of Resources - Pensions	\$ 11,307,197	\$ (156,039)	\$ 11,151,158
Deferred Outflows of Resources	14,191,107	(156,039)	14,035,068
Liabilities:			
Non-Current Liabilities	78,282,167	(658,672)	77,623,495
Total Liabilities	84,819,771	(658,672)	84,161,099
Deferred Inflows of Resources:			
Deferred Inflows of Resources - Pensions	18,454,835	(254,676)	18,200,159
Deferred Inflows of Resources	18,454,835	(254,676)	18,200,159
Net Position:			
Unrestricted/(Deficit)	(55,207,179)	757,309	(54,449,870)
Total Net Position (Deficit)	(8,042,222)	757,309	(7,284,913)
Business-type Activities:			
Deferred Outflows of Resources:			
Deferred Outflows of Resources - Pensions	-0-	156,039	156,039
Total Deferred Outflows of Resources	-0-	156,039	156,039
Liabilities:			
Non-Current Liabilities	12,571	658,672	671,243
Total Liabilities	824,615	658,672	1,483,287
Deferred Inflows of Resources:			
Deferred Inflows of Resources - Pensions	-0-	254,676	254,676
Total Deferred Inflows of Resources	-0-	254,676	254,676
Net Position:			
Unrestricted	860,037	(757,309)	102,728
Total Net Position	1,105,856	(757,309)	348,547
<u>Statement of Activities - District-Wide Statements:</u>			
Net Position - Beginning of Year	1,105,856	(757,309)	348,547

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

NOTE 20. PRIOR PERIOD ADJUSTMENTS (Cont'd)

	<u>Balance 6/30/2019 as Previously Reported</u>	<u>Retroactive Adjustments</u>	<u>Balance 6/30/2019 as Restated</u>
<u>Statement of Net Position -Enterprise Funds:</u>			
Extended Day Program:			
Deferred Outflows of Resources:			
Deferred Outflows of Resources - Pensions	\$ -0-	\$ 156,039	\$ 156,039
Deferred Outflows of Resources	-0-	156,039	156,039
Liabilities:			
Non-Current Liabilities	12,571	658,672	671,243
Total Liabilities	269,758	658,672	928,430
Deferred Inflows of Resources:			
Deferred Inflows of Resources - Pensions	-0-	254,676	254,676
Deferred Inflows of Resources	-0-	254,676	254,676
Net Position:			
Unrestricted/(Deficit)	651,051	(757,309)	(106,258)
Total Net Position/(Deficit)	651,051	(757,309)	(106,258)
 <u>Statement of Revenue, Expenses and Changes in</u>			
<u>Net Position - Proprietary Funds:</u>			
Extended Day Program:			
Net Position (Deficit) - Beginning of Year	651,051	(757,309)	(106,258)

NOTE 21. SUBSEQUENT EVENT

The COVID-19 outbreak in the United States and specifically in New Jersey has caused disruption of the District's normal financial operations. Though the impact on the District's operations cannot be reasonably estimated at this date, it is likely that there will be an impact on certain revenue in the General Fund other than state aid and the local tax levy. The District's state aid in the General Fund was reduced after their budget was adopted due to the reduction of state aid provided to certain school districts by the State of New Jersey. Also, there have been additional operating expenses in the General Fund which were not planned or expected at the time of the approval of the District's 2020-21 budget related to COVID-19.

Additionally, the District's cash flow in the Governmental Funds may be affected by the timing of the collection of the District's tax levy as well as certain State aid payments.

The District's Enterprise Funds will likely be impacted by COVID-19 for the fiscal year ending June 30, 2021 due to loss of revenue.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2015	2016	2017	2018	2019	2020
District's proportion of the Net Pension Liability	0.2155556877%	0.2429573956%	0.2459601678%	0.2508036542%	0.2424126822%	0.2532546778%
District's proportionate share of the Net Pension Liability	\$ 40,357,920	\$ 54,539,067	\$ 72,846,347	\$ 58,383,082	\$ 47,729,849	\$ 45,632,651
District's Covered Employee Payroll	\$ 16,021,395	\$ 16,439,285	\$ 16,931,535	\$ 16,711,030	\$ 17,143,937	\$ 17,401,283
District's proportionate share of the Net Pension Liability as a % of its Covered Employee Payroll	251.90%	331.76%	430.24%	349.37%	278.41%	262.24%
Plan Fiduciary Net Position as a % of the Total Pension Liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 1,777,010	\$ 2,098,522	\$ 2,230,045	\$ 2,363,539	\$ 2,424,001	\$ 2,475,405
Contributions in relation to the Contractually Required Contribution	(1,777,010)	(2,098,522)	(2,230,045)	(2,363,539)	(2,424,001)	(2,475,405)
Contribution Deficiency/(Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$ 16,439,285	\$ 16,931,535	\$ 16,711,030	\$ 17,143,937	\$ 17,401,283	\$ 17,306,991
Contributions as a percentage of Covered Employee Payroll	10.81%	12.39%	13.34%	13.79%	13.93%	14.30%

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2015	2016	2017	2018	2019	2020
State's proportion of the Net Pension Liability attributable to the District	0.6435044679%	0.6370676705%	0.6339011628%	0.6322788603%	0.6445988239%	0.626599995%
State's proportionate share of the Net Pension Liability attributable to the District	\$ 343,932,194	\$ 402,653,972	\$ 498,667,015	\$ 426,305,207	\$ 410,079,926	\$ 384,550,304
District's Covered Employee Payroll	\$ 63,282,036	\$ 63,474,257	\$ 64,836,221	\$ 65,828,000	\$ 67,464,688	\$ 69,331,865
State's proportionate share of the Net Pension Liability attributable to the District as a % of the District's Covered Employee Payroll	543.49%	634.36%	769.12%	647.60%	607.84%	554.65%
Plan Fiduciary Net Position as a % of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 18,506,781	\$ 24,585,650	\$ 37,467,887	\$ 29,532,266	\$ 23,906,226	\$ 22,681,805
Contributions in relation to the Contractually Required Contribution	(4,792,326)	(5,075,259)	(6,863,222)	(9,492,666)	(12,323,706)	(13,914,481)
Contribution Deficiency/(Excess)	<u>\$ 13,714,455</u>	<u>\$ 19,510,391</u>	<u>\$ 30,604,665</u>	<u>\$ 20,039,600</u>	<u>\$ 11,582,520</u>	<u>\$ 8,767,324</u>
District's Covered Employee Payroll	\$ 63,474,257	\$ 64,836,221	\$ 65,828,000	\$ 67,464,688	\$ 69,331,865	\$ 71,992,743
Contributions as a percentage of Covered Employee Payroll	7.55%	7.83%	10.43%	14.07%	17.77%	19.33%

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
LAST THREE FISCAL YEARS

	Fiscal Year Ending June 30,	
	2017	2018
Service Cost	\$ 13,610,363	\$ 11,298,745
Interest Cost	9,494,168	11,013,479
Changes in Assumptions	(39,554,096)	(30,153,674)
Differences between Expected and Actual Experience	255,612	(22,311,688)
Member Contributions	(6,941,739)	242,839
Gross Benefit Payments	(23,135,692)	(7,026,260)
Net Change in Total OPEB Liability	322,837,907	(36,936,559)
Total OPEB Liability - Beginning	299,702,215	299,702,215
Total OPEB Liability - Ending	\$ 81,767,756	\$ 262,765,656
District's Covered Employee Payroll *	\$ 82,539,030	\$ 84,608,625
Total OPEB Liability as a Percentage of Covered Employee Payroll	367%	318%

* - Covered payroll for the fiscal years ending June 30, 2017, 2018 and 2019 are based on the payroll on the June 30, 2016, 2017 and 2018 census data.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.66% as of June 30, 2018 to 6.28% as of June 30, 2019. The municipal bond rate changed from 3.87% to 3.50%.

The inflation rate was 2.25% as of June 30, 2018. As of June 30, 2019, the inflation rate was as follows – Price – 2.75% and Wage – 3.25%. The salary increases as of June 30, 2018 were as follows: Through 2026 – 1.65% - 4.15% based on age and Thereafter – 2.65% - 5.15% based on age. The salary increases as of June 30, 2019 are as follows: Through 2026 – 2.00% - 6.00% based on years of service and Thereafter – 3.00% - 7.00% based on years of service.

The July 1, 2017 actuarial valuation utilized the following mortality rate assumptions:

Pre-retirement mortality rates were based on the RP-2000 Employee Pre-retirement Mortality Table for male and female active participants. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Conduent modified 2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from 2012 to 2013 using Projection Scale AA and a generational approach based on the plan actuary's modified MP-2014 projection scale thereafter. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward one year for females).

The July 1, 2018 actuarial valuation utilized the following mortality rate assumptions:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 4.86% as of June 30, 2018 to 5.60% as of June 30, 2019. The municipal bond rate changed from 3.87% to 3.50%. The inflation rate as of June 30, 2018 was 2.25%. The inflation rate as of June 30, 2019 was as follows: Price – 2.75% and Wage – 3.25%.

The salary increases in the July 1, 2018 valuation were as follows: Through 2026 - 1.55 – 4.45% based on years of service and thereafter - 2.75 – 5.65% based on years of service. The salary increases in the July 1, 2017 valuation were as follows: 2011-2026 – 1.55% - 4.55% and thereafter – 2% - 5.45%.

The mortality rates utilized in the July 1, 2018 valuation were as follows: Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The mortality rates utilized in the July 1, 2017 valuation were as follows: Pre-retirement mortality rates were based on the RP-2006 Employee White Collar Mortality Tables, set back 3 years for males and 5 years for females, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Post-retirement mortality rates were based on the RP-2006 Healthy Annuitant White Collar Mortality Tables, with adjustments as described in the latest experience study, projected on a generational basis from a base year of 2006 using a 60 year average of improvement rates based on Social Security data from 1953 to 2013. Disabled mortality rates were based on the RP-2006 Disabled Retiree Mortality Tables with rates adjusted by 90%. No mortality improvement is assumed for disabled retiree mortality.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2019 was 3.50%. The discount rate for June 30, 2018 was 3.87%, a change of -.37%.

The mortality rates in the valuation as of June 30, 2018 were based on the following:

Pre-retirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using the MP-2017 scale. Post-retirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2006 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using MP-2017 scale.

The mortality rates in the valuation as of June 30, 2019 were based on the following:

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

The health care trend rates in the valuation as of June 30, 2018 were based on the following:

For pre-Medicare preferred provider organization (PPO) medical benefits and health maintenance organization (HMO) medical benefits, trend rate is initially 5.8% and decreases to a 5.0% long term trend rate after eight years. For self-insured post-65 PPO and HMO medical benefits, the trend rate is 4.5%. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

The health care trend rates in the valuation as of June 30, 2019 were based on the following:

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

BUDGETARY COMPARISON SCHEDULES

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REVENUES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Local Sources:					
Local Tax Levy	\$ 152,192,308		\$ 152,192,308	\$ 152,192,308	
Tuition from Individuals	325,000		325,000	118,608	\$ (206,392)
Tuition from Other LEA's	168,931		168,931	359,044	190,113
Tuition from Other Governmental Sources	57,650		57,650		(57,650)
Tuition from Other Sources	49,557		49,557		(49,557)
Tuition from Summer School	15,000		15,000		(15,000)
Rents and Royalties	288,000		288,000	122,474	(165,526)
Interest Earned on Capital Reserve Funds				5,083	5,083
Unrestricted Miscellaneous Revenues	1,233,567		1,233,567	1,042,493	(191,074)
Total - Local Sources	154,330,013		154,330,013	153,840,010	(490,003)
State Sources:					
Categorical Transportation Aid	1,449,581		1,449,581	1,449,581	
Special Education Categorical Aid	4,123,902		4,123,902	4,123,902	
Categorical Security Aid	154,816		154,816	154,816	
Nonpublic School Transportation Costs				7,460	7,460
Extraordinary Special Education Costs Aid	2,100,000		2,100,000	3,078,419	978,419
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				5,254,541	5,254,541
TPAF On-Behalf Pension Contributions (Non-Budgeted)				13,914,481	13,914,481
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				249,401	249,401
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				9,654	9,654
TPAF Social Security (Reimbursed - Non-Budgeted)				5,147,246	5,147,246
Total State Sources	7,828,299		7,828,299	33,389,501	25,561,202
Federal Sources:					
Medicaid Assistance Program	123,724		123,724	82,391	(41,333)

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 528,475	\$ 3,276	\$ 531,751	\$ 531,751	\$ 19,895
Kindergarten - Salaries of Teachers	1,039,847	(2,623)	1,037,224	1,017,329	
Grades 1-5 - Salaries of Teachers	14,095,370	17,530	14,112,900	14,112,900	
Grades 6-8 - Salaries of Teachers	10,229,532	86,264	10,315,796	10,315,796	
Grades 9-12 - Salaries of Teachers	16,230,703	551,802	16,782,505	16,782,505	
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000	(21,187)	23,813	23,813	
Purchased Professional - Educational Services	59,624	10,100	69,724	39,117	30,607
Regular Programs - Undistributed Instruction:					
Purchased Technical Services	670,164	183,355	853,519	796,635	56,884
Other Purchased Services (400-500 series)	744,689	(168,598)	576,091	470,404	105,687
General Supplies	2,270,693	(35,954)	2,234,739	1,822,263	412,476
Textbooks	231,792	458,120	689,912	506,771	183,141
Other Objects	19,750		19,750	5,167	14,583
Total Regular Programs - Instruction	46,165,639	1,082,085	47,247,724	46,424,451	823,273
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,306,844	167,541	1,474,385	1,474,385	
Other Salaries for Instruction	1,580,120	(57,493)	1,522,627	1,522,627	
General Supplies	75,775		75,775	42,889	32,886
Total Learning and/or Language Disabilities	2,962,739	110,048	3,072,787	3,039,901	32,886

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	\$ 518,300	\$ 89,107	\$ 607,407	\$ 607,407	
Other Salaries for Instruction	572,315	27,954	600,269	600,269	
General Supplies	10,800		10,800	2,453	\$ 8,347
Total Multiple Disabilities	1,101,415	117,061	1,218,476	1,210,129	8,347
Resource Room/Resource Center:					
Salaries of Teachers	8,433,289	228,026	8,661,315	8,661,315	
Other Salaries for Instruction	655,919	(83,881)	572,038	572,038	
General Supplies	20,135	2,300	22,435	22,356	79
Total Resource Room/Resource Center	9,109,343	146,445	9,255,788	9,255,709	79
Autism:					
Salaries of Teachers	62,875	(1,336)	61,539	61,539	
Other Salaries for Instruction	78,445	46,373	124,818	124,818	
Total Autism	141,320	45,037	186,357	186,357	
Preschool Disabilities - Part-Time:					
Salaries of Teachers		38	38	38	
Other Salaries for Instruction		30,037	30,037	30,037	
General Supplies	18,700	(170)	18,530	9,149	9,381
Total Preschool Disabilities - Part-Time	18,700	29,905	48,605	39,224	9,381
Preschool Disabilities - Full-Time:					
Salaries of Teachers	265,890	(2,626)	263,264	263,264	
Other Salaries for Instruction	582,108	169,012	751,120	751,120	
Total Preschool Disabilities - Full-Time	847,998	166,386	1,014,384	1,014,384	
Home Instruction:					
Other Salaries for Instruction	50,000	(11,839)	38,161	38,161	
Purchased Professional - Educational Services	23,890	7,110	31,000	10,305	20,695
Total Home Instruction	73,890	(4,729)	69,161	48,466	20,695
Total Special Education Instruction	14,255,405	610,153	14,865,558	14,794,170	71,388

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 1,990,406	\$ 48,145	\$ 2,038,551	\$ 2,038,551	
General Supplies	41,300		41,300	36,242	\$ 5,058
Total Basic Skills/Remedial - Instruction	2,031,706	48,145	2,079,851	2,074,793	5,058
Bilingual Education - Instruction:					
Salaries of Teachers	863,675	(9,802)	853,873	853,873	
Other Salaries	5,000	(2,292)	2,708	2,708	
General Supplies	10,725		10,725	3,478	7,247
Textbooks	525	(525)			
Total Bilingual Education - Instruction	879,925	(12,619)	867,306	860,059	7,247
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	773,014	83,895	856,909	856,909	
Purchased Services (300-500 series)	29,850	(10)	29,840	23,505	6,335
Supplies and Materials	102,532	233	102,765	88,801	13,964
Other Objects	15,410	(3,000)	12,410	5,034	7,376
Total School-Sponsored Cocurricular Activities - Instruction	920,806	81,118	1,001,924	974,249	27,675
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	1,605,644	36,503	1,642,147	1,642,147	
Purchased Services (300-500 series)	640,432	64,707	705,139	512,148	192,991
Supplies and Materials	440,900	16,686	457,586	367,649	89,937
Other Objects	80,000		80,000	66,879	13,121
Total School-Sponsored Cocurricular Athletics - Instruction	2,766,976	117,896	2,884,872	2,588,823	296,049
Before/After School Programs - Instruction:					
Salaries of Reading Specialists	10,000		10,000	5,513	4,487
Total Before/After School Programs - Instruction	10,000		10,000	5,513	4,487

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Summer School - Instruction:					
Purchased Professional and Technical Services	\$ 275,000	\$	\$ 275,000	\$ 249,271	\$ 25,729
Other Purchased Services (400-500 series)	7,000	7,000	7,000	3,559	7,000
General Supplies					3,441
Total Summer School - Instruction	282,000	7,000	289,000	252,830	36,170
Alternative Education Programs - Instruction:					
Salaries of Teachers	106,038	13,054	119,092	119,092	
Purchased Professional and Technical Services	125,000		125,000	52,830	72,170
Supplies and Materials		8,000	8,000	1,015	6,985
Total Alternative Education Programs - Instruction	231,038	21,054	252,092	172,937	79,155
Alternative Education Programs - Support:					
Salaries	10,000	(10,000)			
Total Alternative Education Programs - Support	10,000	(10,000)			
Total Alternative Education Programs	241,038	11,054	252,092	172,937	79,155
Other Instructional Programs - Instruction:					
Supplies and Materials	15,000	(15,000)			
Total Other Instructional Programs - Instruction	15,000	(15,000)			
Community Services Programs/Operations:					
Salaries	66,000	(32,888)	33,112	33,112	
Total Community Services Programs/Operations	66,000	(32,888)	33,112	33,112	
Total Instruction	67,634,495	1,896,944	69,531,439	68,180,937	1,350,502
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	252,153		252,153	204,064	48,089
Tuition to County Vocational Schools - Regular	1,443,620	785	1,444,405	1,444,405	
Tuition to County Vocational Schools - Special	47,458	11,879	59,337	59,337	
Tuition to County Special Services Schools/Reg. Day Schools	481,188	21,765	502,953	413,987	88,966

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Private Schools for the Disabled - Within the State	\$ 5,344,014	\$ (336,919)	\$ 5,007,095	\$ 4,869,854	\$ 137,241
Tuition to Private Schools for the Disabled and Other LEA's - Outside the State	211,285		211,285	210,802	483
Tuition - State Facilities	41,791		41,791	39,872	1,919
Tuition - Other	48,628	158,528	207,156	194,902	12,254
Total Undistributed Expenditures - Instruction	7,870,137	(143,962)	7,726,175	7,437,223	288,952
Attendance and Social Work Services:					
Salaries	20,600	(385)	20,215		20,215
Total Attendance and Social Work Services	20,600	(385)	20,215		20,215
Health Services:					
Salaries	1,583,197	115,752	1,698,949	1,698,949	
Purchased Professional and Technical Services	82,800		82,800	64,021	18,779
Other Purchased Services (400-500 series)	1,500	1,000	2,500	1,845	655
Supplies and Materials	66,025	(1,000)	65,025	48,115	16,910
Total Health Services	1,733,522	115,752	1,849,274	1,812,930	36,344
Speech, OT, PT and Related Services:					
Salaries	2,763,237	(85,787)	2,677,450	2,677,450	
Purchased Professional - Educational Services	416,886	(22,362)	394,524	316,376	78,148
Supplies and Materials	109,330	5,800	115,130	44,524	70,606
Speech, OT, PT and Related Services	3,289,453	(102,349)	3,187,104	3,038,350	148,754
Students - Extraordinary Services:					
Salaries	1,320,820	(210,529)	1,110,291	1,110,291	
Purchased Professional - Educational Services	1,947,765	9,067	1,956,832	1,390,511	566,321
Supplies and Materials	1,500	(1,500)			
Students - Extraordinary Services	3,270,085	(202,962)	3,067,123	2,500,802	566,321

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Guidance:					
Salaries of Other Professional Staff	\$ 2,674,943	\$ 244,339	\$ 2,919,282	\$ 2,919,282	
Salaries of Secretarial and Clerical Assistants	331,552	25,866	357,418	357,418	
Other Salaries	71,561	(16,270)	55,291	51,107	\$ 4,184
Other Purchased Professional and Technical Services	251,057	(168,000)	83,057	79,124	3,933
Supplies and Materials	93,475	(12,280)	81,195	66,114	15,081
Other Objects	11,346	(820)	10,526	7,250	3,276
Total Guidance	3,433,934	72,835	3,506,769	3,480,295	26,474
Child Study Team:					
Salaries of Other Professional Staff	3,078,655	(66,154)	3,012,501	3,012,501	
Other Salaries	157,500	(49,607)	107,893	107,893	
Other Purchased Professional and Technical Services	313,335	(19,000)	294,335	119,685	174,650
Other Purchased Services (400-500 series)	17,656		17,656	17,656	
Supplies and Materials	22,296	(125)	22,171	16,135	6,036
Other Objects	1,000		1,000	354	646
Total Child Study Team	3,590,442	(134,886)	3,455,556	3,274,224	181,332
Improvement of Instructional Services:					
Salaries of Other Professional Staff	515,849	428,315	944,164	944,164	
Salaries of Secretarial and Clerical Assistants	179,516	(3,091)	176,425	176,425	
Other Salaries	2,060	(2,060)			
Other Purchased Services (400-500 series)	20,000	(20,000)			
Supplies and Materials	3,000	(150)	2,850	924	1,926
Total Improvement of Instructional Services	720,425	403,014	1,123,439	1,121,513	1,926

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Educational Media Services/School Library:					
Salaries	\$ 1,283,191	\$ (23,459)	\$ 1,259,732	\$ 1,259,732	\$ 1,937
Purchased Professional and Technical Services	22,000		22,000	20,063	5,972
Supplies and Materials	166,560	7,293	173,853	167,881	7,909
Total Educational Media Services/School Library	1,471,751	(16,166)	1,455,585	1,447,676	7,909
Instructional Staff Training Services:					
Salaries of Other Professional Staff	107,210	415	107,625	107,625	
Other Salaries	104,033	(7,299)	96,734	96,734	
Other Purchased Professional and Technical Services	19,050		19,050	9,218	9,832
Other Purchased Services (400-500 series)	48,500	9,250	57,750	35,377	22,373
Supplies and Materials	1,545		1,545		1,545
Total Instructional Staff Training Services	280,338	2,366	282,704	248,954	33,750
Support Services - General Administration:					
Salaries	547,498	81,332	628,830	628,830	
Legal Services	476,409	35,011	511,420	353,645	157,775
Audit Fees	80,876	19,774	100,650	100,650	
Other Purchased Professional Services	6,798		6,798	4,970	1,828
Communications/Telephone	81,374	(6,467)	74,907	71,287	3,620
BOE Other Purchased Services	10,712	3,746	14,458	13,388	1,070
Miscellaneous Purchased Services (400-500 series)	219,202	15,282	234,484	229,062	5,422
General Supplies	7,339	3,190	10,529	7,097	3,432
Miscellaneous Expenditures	8,160		8,160	6,008	2,152
BOE Membership Dues and Fees	27,810		27,810	26,663	1,147
Total Support Services - General Administration	1,466,178	151,868	1,618,046	1,441,600	176,446

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 3,839,437	\$ (254,407)	\$ 3,585,030	\$ 3,585,030	
Salaries of Secretarial and Clerical Assistants	1,239,766	62,104	1,301,870	1,301,870	
Other Salaries	539,484	182,441	721,925	721,925	
Other Purchased Services (400-500 series)	39,435	1,500	40,935	15,909	\$ 25,026
Supplies and Materials	76,339	2,620	78,959	63,632	15,327
Other Objects	5,500	69,445	74,945	67,757	7,188
Total Support Services - School Administration	5,739,961	63,703	5,803,664	5,756,123	47,541
Central Services:					
Salaries	1,123,954	29,111	1,153,065	1,153,065	
Purchased Professional Services	105,150		105,150	104,974	176
Miscellaneous Purchased Services (400-500 series)	201,780	(13,031)	188,749	170,690	18,059
Supplies and Materials	21,553	193	21,746	21,185	561
Miscellaneous Expenditures	20,799		20,799	19,646	1,153
Total Central Services	1,473,236	16,273	1,489,509	1,469,560	19,949
Administration Information Technology:					
Salaries	1,106,565	(43,485)	1,063,080	1,063,080	
Purchased Technical Services	277,470	7,321	284,791	284,791	
Other Purchased Services (400-500 series)	268,028	138,554	406,582	343,798	62,784
Supplies and Materials	216,229	30,000	246,229	212,573	33,656
Other Objects	3,010		3,010	695	2,315
Total Administration Information Technology	1,871,302	132,390	2,003,692	1,904,937	98,755
Required Maintenance for School Facilities:					
Salaries	837,735	13,820	851,555	851,555	
Cleaning, Repair and Maintenance Services	1,693,253	(115,261)	1,577,992	1,539,720	38,272
General Supplies	385,727	(5,311)	380,416	332,742	47,674
Total Required Maintenance for School Facilities	2,916,715	(106,752)	2,809,963	2,724,017	85,946

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 5,200,496	\$ 391,179	\$ 5,591,675	\$ 5,591,675	
Salaries of Non-Instructional Aides	506,509	7,817	514,326	514,326	
Purchased Professional and Technical Services	100,861	1,286	102,147	80,501	\$ 21,646
Cleaning, Repair and Maintenance Services	770,500	(53,682)	716,818	650,500	66,318
Rental of Land/Bldg. Other Than Lease Purchase	391,655		391,655	391,655	
Lease Purchase Payments - ESIP	1,223,431	111,764	1,335,195	1,335,195	
Other Purchased Property Services	95,000	3,767	98,767	98,766	1
Insurance	793,486	853	794,339	794,339	
Miscellaneous Purchased Services	36,500	(4,505)	31,995	30,965	1,030
General Supplies	388,408	46,351	434,759	391,449	43,310
Energy (Natural Gas)	700,000	(147,400)	552,600	477,317	75,283
Energy (Electricity)	1,100,000	211,357	1,311,357	1,311,357	
Other Objects	15,000	(2,906)	12,094	12,094	
Total Custodial Services	11,321,846	565,881	11,887,727	11,680,139	207,588
Care and Upkeep of Grounds:					
Salaries	322,675	(47,072)	275,603	275,603	
Cleaning, Repair and Maintenance Services	153,756	20,000	173,756	171,796	1,960
General Supplies	74,572	(17,007)	57,565	56,752	813
Total Care and Upkeep of Grounds	551,003	(44,079)	506,924	504,151	2,773
Security:					
Purchased Professional and Technical Services		425,851	425,851	346,432	79,419
General Supplies	35,000	(30,012)	4,988	4,988	
Total Security	35,000	395,839	430,839	351,420	79,419
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	1,630,322	177,470	1,807,792	1,807,792	
Between Home and School - Special	1,943,041	122,407	2,065,448	2,065,448	
Between Home and School - Nonpublic Schools	352,024	(157,875)	194,149	194,149	

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Student Transportation Services:					
Lease Purchase Payments - School Buses	\$ 563,984	\$ 39,304	\$ 603,288	\$ 603,288	
Contracted Services:					
Aid in Lieu Payments - Nonpublic Schools	420,000	(50,000)	370,000	221,163	\$ 148,837
Aid in Lieu Payments - Charter Schools	8,000		8,000		8,000
Between Home and School - Vendors	40,000		40,000	21,427	18,573
Other Than Between Home and School - Vendors	23,654	(40)	23,614	9,383	14,231
Special Education Students - Vendors	800,000	50,000	850,000	727,804	122,196
Miscellaneous Purchased Services	325,923	(5,623)	320,300	245,685	74,615
General Supplies	701,030	(299)	700,731	443,913	256,818
Other Objects	2,200		2,200	1,297	903
Total Student Transportation Services	6,810,178	175,344	6,985,522	6,341,349	644,173
Unallocated Benefits:					
Social Security Contributions	2,065,500		2,065,500	1,957,050	108,450
Other Retirement Contributions - PERS	2,787,601	(300,819)	2,486,782	2,475,405	11,377
Other Retirement Contributions - Regular	80,000	25,537	105,537	105,537	
Workmen's Compensation	863,381	(112,287)	751,094	701,414	49,680
Health Benefits	31,923,958	(3,163,353)	28,760,605	27,255,628	1,504,977
Tuition Reimbursement	174,053		174,053	62,989	111,064
Other Employee Benefits	336,403	(320,163)	16,240	7,989	8,251
Unused Sick Payment to Terminated/Retired Staff	200,000		200,000	453,331	127,086
Total Unallocated Benefits	38,430,896	(3,871,085)	34,940,228	33,019,343	1,920,885
On-Behalf TPAF Contributions (Nonbudgeted):					
TPAF Post Retirement Contributions				5,254,541	(5,254,541)
TPAF Pension Contributions				13,914,481	(13,914,481)
TPAF Non-Contributory Insurance				249,401	(249,401)
TPAF Long-Term Disability Insurance				9,654	(9,654)
Reimbursed TPAF Social Security Contributions				5,147,246	(5,147,246)
Total On-Behalf and Reimbursed Contributions				24,575,323	(24,575,323)
Total Personal Services - Employee Benefits	38,430,896	(3,871,085)	34,940,228	57,594,666	(22,654,438)

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Total Undistributed Expenses	\$ 96,297,002	\$ (2,146,944)	\$ 94,150,058	\$ 114,129,929	\$ (19,979,871)
TOTAL GENERAL CURRENT EXPENSE	<u>163,931,497</u>	<u>(250,000)</u>	<u>163,681,497</u>	<u>182,310,866</u>	<u>(18,629,369)</u>
CAPITAL OUTLAY					
Equipment:					
Undistributed Expenditures:					
Required Maintenance for School Facilities	3,813		3,813	254	3,559
Total Equipment	<u>3,813</u>		<u>3,813</u>	<u>254</u>	<u>3,559</u>
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services	358		358	358	
Construction Services	1,134,440		1,134,440	899,541	234,899
Other Objects (Debt Service Assessment)	154,055		154,055	154,055	
Total Facilities Acquisition and Construction Services	<u>1,288,853</u>		<u>1,288,853</u>	<u>1,053,954</u>	<u>234,899</u>
Assets Acquired Under Capital Leases (Non-Budgeted):					
Equipment:					
Undistributed Expenditures - Instruction and School Buses				1,495,600	(1,495,600)
Total Assets Acquired Under Capital Leases (Non-Budgeted)				<u>1,495,600</u>	<u>(1,495,600)</u>
TOTAL CAPITAL OUTLAY	<u>1,292,666</u>		<u>1,292,666</u>	<u>2,549,808</u>	<u>(1,257,142)</u>
Transfer of Funds to Charter Schools	44,406		44,406		44,406
TOTAL EXPENDITURES	<u>165,268,569</u>	<u>(250,000)</u>	<u>165,018,569</u>	<u>184,860,674</u>	<u>(19,842,105)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ (2,986,533)	\$ 250,000	\$ (2,736,533)	\$ 2,451,228	\$ 5,187,761
Other Financing Sources/(Uses):					
Capital Leases (Non-Budgeted)				1,495,600	1,495,600
Transfers Out:					
Board Contribution:					
Food Service Enterprise Fund	(50,000)	(250,000)	(300,000)	(44,790)	255,210
Capital Projects Fund - Capital Reserve	(2,354,559)		(2,354,559)	(2,354,559)	
Total Other Financing Sources/(Uses)	(2,404,559)	(250,000)	(2,654,559)	(903,749)	1,750,810
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(5,391,092)		(5,391,092)	1,547,479	6,938,571
Fund Balance, July 1	13,310,973		13,310,973	13,310,973	
Fund Balance, June 30	\$ 7,919,881	\$ -0-	\$ 7,919,881	\$ 14,858,452	\$ 6,938,571
Recapitulation:					
Restricted:					
Excess Surplus				\$ 1,750,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,750,000	
Capital Reserve				6,835,014	
Assigned:					
Encumbrances				314,673	
Unassigned				4,208,765	
				14,858,452	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				(470,957)	
Fund Balance per Governmental Funds (GAAP)				\$ 14,387,495	

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 475,578	\$ 304,602	\$ 780,180	\$ 740,528	\$ (39,652)
Federal Sources	804,181	2,640,888	3,445,069	2,739,002	(706,067)
Local Sources	134,487	124,644	259,131	154,548	(104,583)
Total Revenues	1,414,246	3,070,134	4,484,380	3,634,078	(850,302)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	256,500	102,786	359,286	155,620	203,666
Purchased Professional/Educational Services		304,056	304,056	280,145	23,911
Other Purchased Services		1,820,020	1,820,020	1,736,488	83,532
General Supplies	257,475	507,907	765,382	608,727	156,655
Textbooks	73,002		73,002	72,422	580
Other Objects	92,780	5,358	98,138	19,830	78,308
Total Instruction	679,757	2,740,127	3,419,884	2,873,232	546,652
Support Services					
Personal Services - Salaries	33,300	6,400	39,700	25,218	14,482
Personal Services - Employee Benefits	22,169	33,258	55,427		55,427
Purchased Professional/Educational Services	338,945	6,844	345,789	301,478	44,311
Other Purchased Services	93,872	83,803	177,675	72,636	105,039
Supplies and Materials	238,203	145,404	383,607	324,928	58,679
Other Objects	8,000	(289)	7,711	3,203	4,508
Total Support Services	734,489	275,420	1,009,909	727,463	282,446
Facilities Acquisition:					
Instructional Equipment		54,587	54,587	33,383	21,204
Total Facilities Acquisition		54,587	54,587	33,383	21,204
Total Expenditures	1,414,246	3,070,134	4,484,380	3,634,078	850,302
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 187,311,902	\$ 3,634,078
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances		(111,681)
Prior Year Encumbrances		292
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	445,992	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(470,957)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 187,286,937</u>	<u>\$ 3,522,689</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 184,860,674	\$ 3,634,078
Differences - Budgetary to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for Financial Reporting Purposes		
Current Year Encumbrances		(111,681)
Prior Year Encumbrances		292
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 184,860,674</u>	<u>\$ 3,522,689</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For Governmental Funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the Special Revenue Fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the Governmental Fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

WAYNE TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Elementary and Secondary Education Act			
	Title I	Title II A	Title III	Title III Immigrant
	Reallocated			
REVENUE:				
State Sources				
Federal Sources	\$ 390,029	\$ 4,257	\$ 25,115	\$ 9,861
Local Sources				\$ 37,440
Total Revenue	\$ 390,029	\$ 4,257	\$ 25,115	\$ 9,861
EXPENDITURES:				
Instruction:				
Personal Services - Salaries	\$ 154,398	\$ 1,222		
Purchased Professional/Educational Services				
Other Purchased Services				
General Supplies	121,815	2,970	\$ 3,437	\$ 4,040
Textbooks				
Other Objects				
Total Instruction	276,213	4,192	3,437	4,040
Support Services:				
Personal Services - Salaries		\$ 25,218		
Purchased Professional/Educational Services	74,004	52,505	20,179	4,971
Other Purchased Services	16,539	48,612	1,499	850
Supplies and Materials	8,213	65		7,079
Other Objects	3,203			
Total Support Services	101,959	65	21,678	5,821
Facilities Acquisition:				
Instructional Equipment	11,857			
Total Facilities Acquisition	11,857			
Total Expenditures	\$ 390,029	\$ 4,257	\$ 25,115	\$ 9,861
				\$ 37,440

WAYNE TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Carl Perkins Vocational Education	CARES		I.D.E.A. - Part B, Basic		NJ Nonpublic	
		Emergency Relief	Regular	Preschool	Technology Initiative	Textbooks	
REVENUE:							
State Sources	\$ 33,467	\$ 376,010	\$ 1,663,512	\$ 72,976	\$ 49,464	\$ 72,422	
Federal Sources							
Local Sources							
Total Revenue	\$ 33,467	\$ 376,010	\$ 1,663,512	\$ 72,976	\$ 49,464	\$ 72,422	
EXPENDITURES:							
Instruction:							
Personal Services - Salaries	\$ 10,002						
Purchased Professional/Educational Services			\$ 1,663,512	\$ 72,976			
Other Purchased Services	1,419	\$ 277,489			\$ 49,464	\$ 72,422	
General Supplies							
Textbooks							
Other Objects							
Total Instruction	11,421	277,489	1,663,512	72,976	49,464	72,422	
Support Services:							
Personal Services - Salaries	520						
Purchased Professional/Educational Services							
Other Purchased Services		98,521					
Supplies and Materials							
Other Objects							
Total Support Services	520	98,521					
Facilities Acquisition:							
Instructional Equipment	21,526						
Total Facilities Acquisition	21,526						
Total Expenditures	\$ 33,467	\$ 376,010	\$ 1,663,512	\$ 72,976	\$ 49,464	\$ 72,422	

WAYNE TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	NJ Nonpublic		Nonpublic Auxiliary Services (Chapter 192)			
	Nursing	NJ Nonpublic Security	Compensatory Education	English as a Second Language	Home Instruction	
REVENUE:						
State Sources	\$ 137,449	\$ 211,050	\$ 78,768	\$ 6,452	\$ 13,714	
Federal Sources						
Local Sources						
Total Revenue	\$ 137,449	\$ 211,050	\$ 78,768	\$ 6,452	\$ 13,714	
EXPENDITURES:						
Instruction:						
Personal Services - Salaries						
Purchased Professional/Educational Services			\$ 78,768	\$ 6,452	\$ 13,714	
Other Purchased Services						
General Supplies						
Textbooks						
Other Objects						
Total Instruction			78,768	6,452	13,714	
Support Services:						
Personal Services - Salaries	\$ 137,449					
Purchased Professional/Educational Services						
Other Purchased Services		\$ 211,050				
Supplies and Materials						
Other Objects						
Total Support Services	137,449	211,050				
Facilities Acquisition:						
Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	\$ 137,449	\$ 211,050	\$ 78,768	\$ 6,452	\$ 13,714	

WAYNE TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Nonpublic Handicapped Services (Chapter 193)				Totals
	Supplementary Instruction	Examination & Classification	Corrective Speech	Local Programs	June 30, 2020
REVENUE:					
State Sources	\$ 76,579	\$ 82,873	\$ 11,757		\$ 740,528
Federal Sources					2,739,002
Local Sources				\$ 154,548	154,548
Total Revenue	\$ 76,579	\$ 82,873	\$ 11,757	\$ 154,548	\$ 3,634,078
EXPENDITURES:					
Instruction:					
Personal Services - Salaries					\$ 155,620
Purchased Professional/Educational Services	76,579	82,873	11,757		280,145
Other Purchased Services					1,736,488
General Supplies				\$ 134,718	608,727
Textbooks					72,422
Other Objects				19,830	19,830
Total Instruction	76,579	82,873	11,757	154,548	2,873,232
Support Services:					
Personal Services - Salaries					25,218
Purchased Professional/Educational Services					301,478
Other Purchased Services					72,636
Supplies and Materials					324,928
Other Objects					3,203
Total Support Services					727,463
Facilities Acquisition:					
Instructional Equipment					33,383
Total Facilities Acquisition					33,383
Total Expenditures	\$ 76,579	\$ 82,873	\$ 11,757	\$ 154,548	\$ 3,634,078

CAPITAL PROJECTS FUND

WAYNE TOWNSHIP PUBLIC SCHOOLS
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Other Financing Sources:	
Transfer from Capital Reserve	\$ 2,354,559
Total Other Financing Sources	<u>2,354,559</u>
Expenditures:	
Construction Services	<u>1,373,538</u>
Total Expenditures:	<u>1,373,538</u>
Other Financing Uses:	
SDA Grant Cancelled	<u>(1,124)</u>
Total Other Financing Uses	<u>(1,124)</u>
Excess of Other Financing Sources Over Expenditures and Other Financing Uses	979,897
Fund Balance - Beginning	<u>154,556</u>
Fund Balance - Ending	<u><u>\$ 1,134,453</u></u>
 <u>Recapitulation of Fund Balance at June 30, 2020</u>	
Restricted	\$ 105,672
Committed	763,373
Committed - Year End Encumbrances	<u>265,408</u>
Fund Balance per Governmental Funds (GAAP)	<u><u>\$ 1,134,453</u></u>
 <u>Reconciliation of Grant Revenue from Budgetary Basis to GAAP Basis:</u>	
SDA Grants are Recognized as Revenue On the GAAP Basis when Expended and Submitted for Reimbursement	<u>\$ 267,435</u>
Grant Revenue Realized (GAAP Basis)	<u><u>\$ 267,435</u></u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT-WIDE ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Capital Lease Proceeds	\$ 11,065,064		\$ 11,065,064	\$ 11,065,064
Total Revenue and Other Financing Sources	11,065,064		11,065,064	11,065,064
Expenditures:				
Purchased Professional and Technical Services	784,249		784,249	716,482
Construction Services	10,062,773		10,062,773	10,235,462
Total Expenditures	10,959,392	-0-	10,959,392	11,065,064
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 105,672	\$ -0-	\$ 105,672	\$ -0-

Additional Project Information:

Project Number	5570-X01-14-1000
Capital Lease Authorization Date	May 29, 2014
Capital Lease Authorized	\$ 11,065,064
Capital Lease Issued	\$ 11,065,064
Original Authorized Cost	\$ 11,065,064
Percentage Completion	100.00%
Original Target Completion Date	06/01/15
Revised Target Completion Date	12/31/18

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WAYNE HILLS HIGH SCHOOL - PARTIAL ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 122,932		\$ 122,932	\$ 122,932
Transfer from Capital Reserve	483,215		483,215	483,215
Total Revenue and Other Financing Sources	606,147		606,147	606,147
Expenditures:				
Purchased Professional and Technical Services	25,587		25,587	25,650
Construction Services	577,366		577,366	580,497
Total Expenditures	602,953	-0-	602,953	606,147
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 3,194</u>	<u>\$ -0-</u>	<u>\$ 3,194</u>	<u>\$ -0-</u>

Additional Project Information:

Project Number	5570-055-14-1002
Grant Date	June 17, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 307,330
Additional Authorization	\$ 298,817
Revised Authorized Cost	\$ 606,147
Percentage Completion	100.00%
Original Target Completion Date	June 2015
Revised Target Completion Date	January 2016

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WAYNE HILLS HIGH SCHOOL - NEW ADA RESTROOM PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 36,601	\$ (1,124)	\$ 35,477	\$ 36,601
Federal Sources - I.D.E.A. - Part B, Basic Regular	54,901		54,901	54,901
Total Revenue and Other Financing Sources	91,502	\$ (1,124)	90,378	91,502
Expenditures:				
Purchased Professional and Technical Services	10,771		10,771	8,765
Construction Services	70,420		70,420	82,737
Total Expenditures	81,191		81,191	91,502
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 10,311	\$ (1,124)	\$ 9,187	\$ -0-

Additional Project Information:

Project Number	5570-055-14-1005
Grant Date	June 17, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 91,502
Percentage Completion	100.00%
Original Target Completion Date	June 2015
Revised Target Completion Date	August 2015

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
GEORGE WASHINGTON MIDDLE SCHOOL - EXTERIOR WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 61,000		\$ 61,000	\$ 61,000
Transfer from Capital Reserve	123,825		123,825	123,825
Total Revenue and Other Financing Sources	184,825		184,825	184,825
Expenditures:				
Purchased Professional and Technical Services	12,392		12,392	12,825
Construction Services	141,778		141,778	172,000
Total Expenditures	154,170		154,170	184,825
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 30,655</u>	<u>\$ -0-</u>	<u>\$ 30,655</u>	<u>\$ -0-</u>

Additional Project Information:

Project Number	5570-083-14-1003
Grant Date	June 17, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 152,500
Additional Authorization	\$ 32,325
Revised Authorized Cost	\$ 184,825
Percentage Completion	100.00%
Original Target Completion Date	June 2015
Revised Target Completion Date	January 2016

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
LAFAYETTE ELEMENTARY SCHOOL - PARTIAL ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 57,490		\$ 57,490	\$ 57,490
Transfer from Capital Reserve	251,310		251,310	251,310
Total Revenue and Other Financing Sources	308,800		308,800	308,800
Expenditures:				
Purchased Professional and Technical Services	12,262		12,262	11,800
Construction Services	291,814		291,814	297,000
Total Expenditures	304,076	-0-	304,076	308,800
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 4,724</u>	<u>\$ -0-</u>	<u>\$ 4,724</u>	<u>\$ -0-</u>

Additional Project Information:

Project Number	5570-090-14-1004
Grant Date	June 17, 2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 143,725
Additional Authorization	\$ 165,075
Revised Authorized Cost	\$ 308,800
Percentage Completion	100.00%
Original Target Completion Date	June 2016
Revised Target Completion Date	June 2016

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
EARLY CHILDHOOD CENTER RENOVATION PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 1,354,559	\$ 1,354,559	\$ 1,354,559
Total Revenue and Other Financing Sources	\$ -0-	1,354,559	1,354,559	1,354,559
Expenditures:				
Construction Services		1,298,014	1,298,014	1,354,559
Total Expenditures	-0-	1,298,014	1,298,014	1,354,559
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ -0-	\$ 56,545	\$ 56,545	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,300,000
Revised Authorized Cost	\$ 1,354,559
Percentage Completion	95.83%
Original Target Completion Date	June 2021

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
NEXT GENERATION SCIENCE PROJECT - HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 1,000,000	\$ 1,000,000	\$ 1,053,000
Total Revenue and Other Financing Sources	-0-	1,000,000	1,000,000	1,053,000
Expenditures:				
Construction Services		75,524	75,524	1,053,000
Total Expenditures	-0-	75,524	75,524	1,053,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ -0-	\$ 924,476	\$ 924,476	\$ -0-

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,053,000
Percentage Completion	7.17%
Original Target Completion Date	June 2021

PROPRIETARY FUNDS

WAYNE TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020

	Enterprise Funds						Total
	Major Fund		Total Major Funds	Non-Major Fund		Total Non-Major Funds	
	Food Service	Extended Day Program		Community Education Program	Wrap Around Program		
<u>ASSETS:</u>							
Current Assets:							
Cash and Cash Equivalents		\$ 447,597	\$ 447,597	\$ 9,680	\$ 109,399	\$ 119,079	566,676
Accounts Receivable:							
Other Governments:							
Federal	\$ 49,026		49,026				49,026
State	6,288		6,288				6,288
Other	147,321		147,321				147,321
Inventories	41,520		41,520				41,520
Total Current Assets	244,155	447,597	691,752	9,680	109,399	119,079	810,831
Non-Current Assets:							
Capital Assets	1,273,285		1,273,285				1,273,285
Less: Accumulated Depreciation	(972,705)		(972,705)				(972,705)
Total Non-Current Assets	300,580	- 0 -	300,580	- 0 -	- 0 -	- 0 -	300,580
Total Assets	544,735	447,597	992,332	9,680	109,399	119,079	1,111,411
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>							
Deferred Outflows Related to Pensions District Contribution Subsequent to the Measurement Date - Pensions		119,647	119,647				119,647
		37,082	37,082				37,082
Total Deferred Outflows of Resources		156,729	156,729				156,729

WAYNE TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020

	Enterprise Funds						Total
	Major Fund			Non-Major Fund			
	Food Service	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Total Non-Major Funds	
<u>LIABILITIES:</u>							
Current Liabilities:							
Accounts Payable	\$ 88,915	\$ 38,235	\$ 127,150		\$ 243	\$ 243	\$ 127,393
Interfund Payable - General Fund	94,358		94,358				94,358
Unearned Revenue:							
Donated Commodities	42,521		42,521				42,521
Prepaid Sales	18,361		18,361				18,361
Prepaid Program Fees		88,500	88,500	\$ 3,350	67,375	70,725	159,225
Long-term Liabilities:							
Net Pension Liability		629,731	629,731				629,731
Compensated Absences Payable		6,793	6,793				6,793
Total Liabilities	<u>244,155</u>	<u>763,259</u>	<u>1,007,414</u>	<u>3,350</u>	<u>67,618</u>	<u>70,968</u>	<u>1,078,382</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>							
Deferred Inflows Related to Pensions		252,116	252,116				252,116
Total Deferred Inflows of Resources		<u>252,116</u>	<u>252,116</u>				<u>252,116</u>
<u>NET POSITION:</u>							
Investment in Capital Assets Unrestricted/(Deficit)	300,580	(411,049)	300,580 (411,049)	6,330	41,781	48,111	300,580 (362,938)
Total Net Position/(Deficit)	<u>\$ 300,580</u>	<u>\$ (411,049)</u>	<u>\$ (110,469)</u>	<u>\$ 6,330</u>	<u>\$ 41,781</u>	<u>\$ 48,111</u>	<u>\$ (62,358)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Enterprise Funds						
	Major Fund		Total Major Funds	Non-Major Fund		Total Non-Major Funds	Total
	Food Service	Extended Day Program		Community Education Program	Wrap Around Program		
Operating Revenue:							
Charges for Services:							
Daily Sales - Reimbursable Programs	\$ 744,868		\$ 744,868				\$ 744,868
Daily Sales - Non-Reimbursable Programs	744,868		744,868				744,868
Special Events	294,306		294,306				294,306
Program Fees		\$ 799,146	799,146	\$ 10,950	\$ 419,161	\$ 430,111	1,229,257
Total Operating Revenue	1,784,042	799,146	2,583,188	10,950	419,161	430,111	3,013,299
Operating Expenses:							
Cost of Sales - Reimbursable Programs	372,995		372,995				372,995
Cost of Sales - Non-Reimbursable Programs	372,995		372,995				372,995
Salaries	754,328	604,268	1,358,596	7,865	539,138	547,003	1,905,599
Employee Benefits	269,696	100,900	370,596				370,596
Other Purchased Services		308,371	308,371				308,371
Management Fee	279,500		279,500				279,500
Supplies, Insurance and Other Costs	215,402	90,398	305,800	696	43,287	43,983	349,783
Other Objects	26,673		26,673				26,673
Depreciation Expense	39,351		39,351				39,351
Total Operating Expenses	2,330,940	1,103,937	3,434,877	8,561	582,425	590,986	4,025,863
Operating Income (Loss)	(546,898)	(304,791)	(851,689)	2,389	(163,264)	(160,875)	(1,012,564)
Non-Operating Revenue:							
Federal Sources:							
National School Lunch Program	227,266		227,266				227,266
Covid19 - Seamless Summer Option - Lunch	62,636		62,636				62,636
School Breakfast Program	14,149		14,149				14,149
Covid19 - Seamless Summer Option - Breakfast	35,388		35,388				35,388
Special Milk Program	671		671				671
Food Distribution Program	97,526		97,526				97,526
State Sources:							
School Lunch Program	15,486		15,486				15,486
Covid19 - Seamless Summer Option - Lunch	3,747		3,747				3,747
Total Non-Operating Revenue	456,869	- 0 -	456,869	- 0 -	- 0 -	- 0 -	456,869
Change in Net Position Before Transfers and Other Items	(90,029)	(304,791)	(394,820)	2,389	(163,264)	(160,875)	(555,695)
Transfers In - General Fund	44,790		44,790				44,790
Other Item - Food Service Management Contractor Contribution	100,000		100,000				100,000
Change in Net Position After Transfers and Other Items	54,761	(304,791)	(250,030)	2,389	(163,264)	(160,875)	(410,905)
Net Position/(Deficit) - Beginning of Year (Restated)	245,819	(106,258)	139,561	3,941	205,045	208,986	348,547
Net Position/(Deficit) - End of Year	\$ 300,580	\$ (411,049)	\$ (110,469)	\$ 6,330	\$ 41,781	\$ 48,111	\$ (62,358)

WAYNE TOWNSHIP PUBLIC SCHOOLS
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Enterprise Funds						Total
	Major Fund		Total Major Funds	Non-Major Fund		Total Non-Major Funds	
	Food Service	Extended Day Program		Community Education Program	Wrap Around Program		
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 1,727,436	\$ 888,490	\$ 2,615,926	\$ 4,150	\$ 354,036	\$ 358,186	\$ 2,974,112
Payments to Employees		(706,055)	(706,055)	(7,865)	(539,138)	(547,003)	(1,253,058)
Payments to Food Service Vendor	(2,198,421)		(2,198,421)				(2,198,421)
Payments to Suppliers	(215,402)	(654,803)	(870,205)	(1,138)	(65,645)	(66,783)	(936,988)
Net Cash Used for Operating Activities	<u>(686,387)</u>	<u>(472,368)</u>	<u>(1,158,755)</u>	<u>(4,853)</u>	<u>(250,747)</u>	<u>(255,600)</u>	<u>(1,414,355)</u>
Cash Flows from Capital Financing Activities:							
Acquisition of Capital Assets	(94,112)		(94,112)				(94,112)
Net Cash Used for Capital Financing Activities	<u>(94,112)</u>	<u>- 0 -</u>	<u>(94,112)</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>(94,112)</u>
Cash Flows from Noncapital Financing Activities:							
Federal Sources	322,762		322,762				322,762
State Sources	16,202		16,202				16,202
Payments from General Fund	318,128		318,128				318,128
Net Cash Provided by Noncapital Financing Activities	<u>657,092</u>	<u>- 0 -</u>	<u>657,092</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>657,092</u>
Net Decrease in Cash and Cash Equivalents	(123,407)	(472,368)	(595,775)	(4,853)	(250,747)	(255,600)	(851,375)
Cash and Cash Equivalents, July 1	123,407	919,965	1,043,372	14,533	360,146	374,679	1,418,051
Cash and Cash Equivalents, June 30	<u>\$ -0-</u>	<u>\$ 447,597</u>	<u>\$ 447,597</u>	<u>\$ 9,680</u>	<u>\$ 109,399</u>	<u>\$ 119,079</u>	<u>\$ 566,676</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:							
Operating Income (Loss)	\$ (546,898)	\$ (304,791)	\$ (851,689)	\$ 2,389	\$ (163,264)	\$ (160,875)	\$ (1,012,564)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities:							
Depreciation	39,351		39,351				39,351
Federal Food Distribution Program	97,526		97,526				97,526
Changes in Assets and Liabilities:							
(Increase)/Decrease in Accounts Receivable	(25,819)	844	(24,975)				(24,975)
(Increase) in Inventory	(11,180)		(11,180)				(11,180)
(Decrease) in Accounts Payable	(208,580)	(256,034)	(464,614)	(442)	(22,358)	(22,800)	(487,414)
(Decrease) in Compensated Absences Payable		(5,778)	(5,778)				(5,778)
Increase/(Decrease) in Unearned Revenue	(30,787)	88,500	57,713	(6,800)	(65,125)	(71,925)	(14,212)
(Decrease) in Net Pension Liability		(28,941)	(28,941)				(28,941)
Decrease in Deferred Outflows Related to Pensions		36,392	36,392				36,392
(Decrease) in Deferred Inflows Related to Pensions		(2,560)	(2,560)				(2,560)
Net Cash Used for Operating Activities	<u>\$ (686,387)</u>	<u>\$ (472,368)</u>	<u>\$ (1,158,755)</u>	<u>\$ (4,853)</u>	<u>\$ (250,747)</u>	<u>\$ (255,600)</u>	<u>\$ (1,414,355)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$133,732 and \$97,526 respectively, for the fiscal year ended June 30, 2020.

FIDUCIARY FUNDS

WAYNE TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Agency Funds</u>			<u>Trust Funds</u>			
	<u>Student Activities</u>	<u>Payroll</u>	<u>Total</u>	<u>Unemployment Compensation</u>	<u>Flexible Spending Account</u>	<u>Private Purpose Scholarship</u>	<u>Total</u>
<u>ASSETS:</u>							
Cash and Cash Equivalents	\$ 677,644	\$ 41,219	\$ 718,863	\$ 331,794	\$ 64,820		\$ 396,614
Investments						\$ 90,182	90,182
Total Assets	<u>677,644</u>	<u>41,219</u>	<u>718,863</u>	<u>331,794</u>	<u>64,820</u>	<u>90,182</u>	<u>486,796</u>
<u>LIABILITIES:</u>							
Accounts Payable - Vendors	28,113		28,113				
Payroll Deductions and Withholdings		41,219	41,219				
Due to Student Groups	<u>649,531</u>		<u>649,531</u>				
Total Liabilities	<u>677,644</u>	<u>41,219</u>	<u>718,863</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
<u>NET POSITION:</u>							
Held in Trust for:							
Unemployment Claims				331,794			331,794
Flexible Spending Claims					64,820		64,820
Restricted for Scholarships						90,182	90,182
Total Net Position	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 331,794</u>	<u>\$ 64,820</u>	<u>\$ 90,182</u>	<u>\$ 486,796</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Unemployment Compensation Trust Fund	Flexible Spending Account Trust Fund	Private Purpose Scholarship Trust Fund	Totals
ADDITIONS:				
Contributions:				
Plan Members	\$ 274,566	\$ 237,797		\$ 512,363
Donations			\$ 32,867	32,867
Total Contributions	<u>274,566</u>	<u>237,797</u>	<u>32,867</u>	<u>545,230</u>
Investment Earnings:				
Interest			269	269
Net Investment Earnings			<u>269</u>	<u>269</u>
Total Additions	<u>274,566</u>	<u>237,797</u>	<u>33,136</u>	<u>545,499</u>
DEDUCTIONS:				
Quarterly Contribution Reports and Unemployment Benefit Claims	250,721			250,721
Flexible Spending Claims		218,282		218,282
Scholarships Awarded			26,851	26,851
Total Deductions	<u>250,721</u>	<u>218,282</u>	<u>26,851</u>	<u>495,854</u>
Change in Net Position	23,845	19,515	6,285	49,645
Net Position - Beginning of the Year	<u>307,949</u>	<u>45,305</u>	<u>83,897</u>	<u>437,151</u>
Net Position - End of the Year	<u>\$ 331,794</u>	<u>\$ 64,820</u>	<u>\$ 90,182</u>	<u>\$ 486,796</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 684,029	\$ 305,640	\$ 312,025	\$ 677,644
Total Assets	<u>\$ 684,029</u>	<u>\$ 305,640</u>	<u>\$ 312,025</u>	<u>\$ 677,644</u>
 <u>LIABILITIES:</u>				
Liabilities:				
Accounts Payable	\$ 49,183	\$ 28,113	\$ 49,183	\$ 28,113
Due to Student Groups	<u>634,846</u>	<u>277,527</u>	<u>262,842</u>	<u>649,531</u>
Total Liabilities	<u>\$ 684,029</u>	<u>\$ 305,640</u>	<u>\$ 312,025</u>	<u>\$ 677,644</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Accounts</u> <u>Payable</u>	<u>Balance</u> <u>June 30, 2020</u>
Elementary Schools:					
A.P. Terhune	\$ 5,653	\$ 1,547	\$ 1,252		\$ 5,948
Theunis Dey	5,058	16	16		5,058
James Fallon	3,217	7,060	1,430		8,847
John F. Kennedy	2,681	12,733	2,808		12,606
Lafayette	5,198	2,635	3,844		3,989
Pines Lake	7,245	1,429	3,225		5,449
Ryerson	4,148	168	108		4,208
Randall Carter	3,296	712	259		3,749
Packanack	7,528	67	3,488	\$ 302	3,805
Middle Schools:					
George Washington	46,786	26,463	31,887	675	40,687
Schuyler Colfax	24,744	15,709	20,334	2,435	17,684
Anthony Wayne	28,987	7,895	14,614		22,268
High Schools:					
Wayne Valley	214,158	69,803	53,330	12,171	218,460
Wayne Hills	276,147	159,403	126,247	12,530	296,773
Total All Schools	<u>\$ 634,846</u>	<u>\$ 305,640</u>	<u>\$ 262,842</u>	<u>\$ 28,113</u>	<u>\$ 649,531</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	<u>\$ 2,037,870</u>	<u>\$ 117,782,933</u>	<u>\$ 119,779,584</u>	<u>\$ 41,219</u>
Total Assets	<u><u>\$ 2,037,870</u></u>	<u><u>\$ 117,782,933</u></u>	<u><u>\$ 119,779,584</u></u>	<u><u>\$ 41,219</u></u>
<u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	<u>2,037,870</u>	<u>\$ 117,782,933</u>	<u>\$ 119,779,584</u>	<u>\$ 41,219</u>
Total Liabilities	<u><u>\$ 2,037,870</u></u>	<u><u>\$ 117,782,933</u></u>	<u><u>\$ 119,779,584</u></u>	<u><u>\$ 41,219</u></u>

LONG-TERM DEBT

WAYNE TOWNSHIP PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2019	Retired/Matured	Balance June 30, 2020
			Date	Amount				
School Refunding Bonds	11/01/12	\$ 25,440,000	07/15/20	\$ 2,615,000	4.000%			
			07/15/21	2,610,000	5.000%			
			07/15/22	2,620,000	5.000%			
			07/15/23	2,615,000	4.500%	\$ 13,070,000	\$ 2,610,000	\$ 10,460,000
					\$ 13,070,000	\$ 2,610,000	\$ 10,460,000	

WAYNE TOWNSHIP PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

Item	Interest Rate	Original Issue	Balance July 1, 2019	Issued	Retired/ Matured	Balance June 30, 2020
Equipment and Buses	1.65%	\$ 1,515,800	\$ 157,246		\$ 157,246	
Equipment and Buses	1.82%	1,700,000	526,282		349,262	\$ 177,020
Equipment and Buses	1.67%	1,365,300	697,809		275,647	422,162
Equipment and Buses	1.82%	420,000	213,804		105,934	107,870
Equipment and Buses	1.93%	813,000	497,147		162,540	334,607
Chromebooks and Buses	2.93%	996,000	902,793		190,531	712,262
Turf Fields	2.65%	1,036,804	1,036,804		97,641	939,163
Energy Savings Improvement Program	2.93%	11,065,064	8,294,339		557,777	7,736,562
Vehicles and Equipment	2.65%	1,495,600		\$ 1,495,600	140,848	1,354,752
			\$ 12,326,224	\$ 1,495,600	\$ 2,037,426	\$ 11,784,398

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,145,975		\$ 3,145,975	\$ 3,145,975	
Total Revenues	3,145,975		3,145,975	3,145,975	
EXPENDITURES:					
Regular Debt Service:					
Interest	535,975		535,975	535,975	
Redemption of Principal	2,610,000		2,610,000	2,610,000	
Total Regular Debt Service	3,145,975		3,145,975	3,145,975	
Total Expenditures	3,145,975		3,145,975	3,145,975	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-0-		-0-	-0-	
Fund Balance, July 1	-0-		-0-	-0-	
Fund Balance, June 30	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

STATISTICAL SECTION
(UNAUDITED)

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

Contents

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental Activities:										
Instruction:	\$ 85,819,477	\$ 87,266,186	\$ 91,042,891	\$ 92,381,582	\$ 73,184,000	\$ 78,905,505	\$ 88,567,172	\$ 88,119,809	\$ 87,112,898	\$ 80,956,139
Regular					19,201,430	20,890,532	26,092,880	26,965,209	28,841,050	27,673,798
Special Education					4,738,040	4,378,608	5,421,181	5,670,549	5,228,923	5,146,559
Other Special Instruction					4,826,208	5,645,476	6,127,133	6,133,051	6,322,683	6,060,522
School Sponsored/Other Instruction										
Support Services:										
Tuition					5,314,728	5,161,154	5,271,592	5,480,487	6,790,714	7,437,223
Student & Instruction Related Services					28,345,490	31,709,736	32,919,874	33,352,351	30,508,488	28,675,650
General Administrative Services	22,013,472	22,976,908	25,110,264	24,387,990	1,667,783	1,654,085	1,697,118	1,659,477	1,759,643	1,657,385
School Administrative Services	1,594,345	1,782,477	1,952,676	1,892,617	9,710,268	10,098,969	10,914,958	11,095,588	11,507,811	9,852,344
Central Services	7,044,118	7,243,935	7,510,142	8,620,564	1,862,301	1,945,289	1,910,214	1,811,717	1,896,944	1,865,226
Administrative Information Technology					2,655,557	1,396,216	1,452,571	1,198,404	1,563,765	1,570,128
Plant Operations and Maintenance	15,998,478	16,884,900	17,017,216	17,172,077	16,096,278	16,158,309	15,893,651	15,603,490	18,325,665	17,518,352
Pupil Transportation	6,025,662	6,209,541	7,307,819	7,827,146	6,483,219	6,671,942	7,433,794	7,649,639	8,752,095	7,563,683
Other Support Services	3,499,718	2,536,016	3,567,886	3,448,376						
Charter Schools										
Interest on Long-term Debt	1,535,058	1,415,635	826,922	1,143,735	22,279	66,474	44,328	17,252	60,109	325,039
Unallocated Depreciation					744,813	829,057	637,953	533,732	429,526	2,569,242
Total Governmental Activities Expenses	143,530,328	146,315,598	154,336,921	156,895,913	174,852,394	185,511,352	205,040,038	205,946,374	211,411,052	198,871,290
Business-Type Activities:										
Food Service	2,867,111	2,994,123	2,892,281	2,986,474	2,960,246	2,813,044	3,100,585	3,139,472	3,079,994	2,330,940
Community Education Program	278,243	353,037	46,689	9,809	7,023	6,608	7,548	8,267	7,392	8,561
Wrap Around Program							448,609	476,961	462,403	582,425
Extended Day Program	659,868	767,195	804,658	887,558	859,096	1,006,149	1,106,933	1,093,262	1,094,246	1,103,937
Total Business-Type Activities Expenses	3,805,222	4,114,355	3,743,628	3,883,841	3,826,365	3,825,801	4,663,675	4,717,962	4,644,035	4,025,863
Total District-Wide Expenses	147,335,550	150,429,953	158,080,549	160,779,754	178,678,759	189,337,153	209,703,713	210,664,336	216,055,087	202,897,153
Program Revenues:										
Governmental Activities:										
Changes for Services:										
Regular	232,591	233,126	262,215	232,479	257,341	350,496	569,932	599,861	606,147	477,652
Special education					15,578					
Operating Grants and Contributions	4,070,283	3,436,583	3,307,946	3,141,872	38,255,280	44,603,509	58,118,004	59,880,754	53,888,274	47,161,950
Capital Grants and Contributions	186,380		20,062	20,062	45,427	250,000		151,753		267,435
Total Governmental Activities Program Revenues	4,489,254	3,669,709	3,570,161	3,394,413	38,573,626	45,204,005	58,687,936	60,632,368	54,494,421	47,907,037

WAYNE TOWNSHIP PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-Type Activities:										
Changes for Services:										
Food Service	\$ 2,427,692	\$ 2,527,914	\$ 2,428,982	\$ 2,383,094	\$ 2,407,081	\$ 2,325,439	\$ 2,493,563	\$ 2,536,593	\$ 2,515,744	\$ 1,784,042
Community Education Program	241,343	244,045	53,397	7,305	2,819	10,416	6,895	8,635	7,810	10,950
Wrap Around Program	876,623	898,991	911,525	961,643	936,108	953,743	401,866	660,799	418,103	419,161
Extended Day Program	398,778	429,446	432,168	487,792	503,077	451,225	1,081,423	1,151,958	1,140,548	799,146
Operating Grants and Contributions							520,459	502,470	507,167	456,869
Total Business-Type Activities Revenues	3,944,436	4,100,396	3,826,072	3,839,834	3,849,085	3,740,823	4,504,206	4,860,455	4,589,372	3,470,168
Total District-wide Program Revenues	8,433,690	7,770,105	7,396,233	7,234,247	42,422,711	48,944,828	63,192,142	65,492,823	59,083,793	51,377,205
Net (Expense)/Revenue:										
Governmental Activities	(139,041,074)	(142,645,889)	(150,766,760)	(153,501,500)	(136,278,768)	(140,307,347)	(146,352,102)	(145,314,006)	(156,916,631)	(150,964,253)
Business-Type Activities	139,214	(13,959)	82,444	(44,007)	22,720	(84,978)	(159,469)	142,493	(54,663)	(555,695)
Total District-wide Net (Expense)/Revenue	(138,901,860)	(142,659,848)	(150,684,316)	(153,545,507)	(136,256,048)	(140,392,325)	(146,511,571)	(145,171,513)	(156,971,294)	(151,519,948)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	123,231,644	124,894,494	127,268,166	130,459,943	132,926,961	137,763,672	143,031,801	145,825,281	149,208,145	152,192,308
Taxes Levied for Debt Service	4,128,901	4,106,755	4,129,125	4,038,292	3,798,160	3,784,800	3,356,975	3,359,475	3,240,175	3,145,975
Unrestricted Grants and Contributions	12,274,239	16,012,559	19,686,274	18,157,591	387,365	382,787	507,514	524,393	284,446	237,859
Investment Earnings	7,429	9,211	11,343	5,703	3,298	1,381	21,596	64,401	119,697	157,644
Miscellaneous Income	686,554	398,512	809,653	484,270	708,063	682,503	587,040	1,483,227	919,910	1,012,406
Transfers		(136,523)			(63,686)	(21,348)	(40,097)	(46,831)	(114,339)	(44,790)
Other Item - SDA Grants Cancelled										(1,124)
Total Governmental Activities General Revenues and Other Changes in Net Position	140,328,767	145,285,008	151,904,561	153,145,799	137,760,161	142,593,795	147,464,829	151,209,946	153,658,034	156,700,278
Business-type Activities:										
Investment Earnings	86	454			315					
Transfers		136,523			63,686	21,348	40,097	46,831	114,339	44,790
Other Item - Food Service Management										
Contractor Contribution										100,000
Total Business-type Activities General Revenues and Other Changes in Net Position	86	136,977			64,001	21,348	40,097	46,831	114,339	144,790
Total District-wide General Revenues and Other Changes in Net Position	140,328,853	145,421,985	151,904,561	153,145,799	137,824,162	142,615,143	147,504,926	151,256,777	153,772,373	156,845,068
Change in Net Position:										
Governmental Activities	1,287,693	2,639,119	1,137,801	(355,701)	1,481,393	2,286,448	1,112,727	5,895,940	(3,258,597)	5,736,025
Business-Type Activities	139,300	123,018	82,444	(44,007)	86,721	(63,630)	(119,372)	189,324	59,676	(410,905)
Total District-Wide Change in Net Position	\$ 1,426,993	\$ 2,762,137	\$ 1,220,245	\$ (399,708)	\$ 1,568,114	\$ 2,222,818	\$ 993,355	\$ 6,085,264	\$ (3,198,921)	\$ 5,325,120

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Tax Levy	\$ 127,360,545	\$ 129,001,249	\$ 131,397,291	\$ 134,498,235	\$ 136,725,121	\$ 141,548,472	\$ 146,388,776	\$ 149,184,756	\$ 152,448,320	\$ 155,338,283
Tuition Charges	232,591	233,126	262,215	232,479	272,919	350,496	569,932	599,861	606,147	477,652
Interest Earnings	7,429	9,211	11,343	5,703	340		21,596	64,401	119,697	119,697
Miscellaneous	802,606	524,640	867,370	688,456	838,941	816,144	769,446	1,584,420	988,803	1,203,021
State Sources	12,880,750	16,148,899	20,036,315	18,496,357	20,759,842	22,915,778	25,254,503	28,154,446	32,550,932	34,372,499
Federal Sources	3,534,100	3,174,115	2,900,188	2,618,982	2,737,750	2,677,867	2,583,944	2,772,620	2,824,036	2,711,884
Total Revenues	144,818,021	149,091,240	155,474,722	156,540,212	161,334,913	168,308,757	175,588,197	182,360,504	189,537,935	194,223,036
Expenditures:										
Instruction:										
Regular Instruction	57,343,735	57,765,509	58,340,405	59,089,833		43,211,537	44,183,079	45,618,171	46,010,005	47,531,704
Special Education Instruction					41,929,364	12,548,479	13,725,930	14,517,568	16,182,768	16,530,658
Other Special Instruction					2,729,696	2,387,187	2,639,084	2,845,871	2,785,254	2,934,852
School Sponsored/Other Instruction					3,257,086	3,626,614	3,711,348	3,731,458	3,993,718	4,027,464
Support Services:										
Tuition					5,314,728	5,161,154	5,271,592	5,480,487	6,790,714	7,437,223
Student & Instruction Related Services	18,649,448	19,149,203	20,990,737	21,186,769	17,031,520	18,176,110	17,362,013	18,276,005	17,898,755	17,570,309
General Administrative Services	1,372,059	1,474,148	1,589,535	1,537,004	1,422,650	1,403,870	1,435,840	1,441,276	1,547,586	1,441,600
School Administrative Services	4,783,305	4,856,263	4,854,231	5,654,758	5,697,384	5,495,187	5,371,249	5,650,418	6,034,633	5,756,123
Central Services					1,429,949	1,488,974	1,439,510	1,422,533	1,483,872	1,469,560
Administrative Information Technology					1,905,868	1,549,262	1,607,019	1,657,803	1,900,735	1,904,937
Plant Operations and Maintenance	12,240,523	12,156,942	12,587,475	13,437,941	12,800,612	14,246,617	13,977,739	13,583,270	14,846,336	15,259,727
Pupil Transportation	4,874,217	5,035,745	4,545,411	4,710,812	5,470,868	5,722,993	5,908,667	6,549,294	6,810,239	6,341,349
Other Support Services	2,550,747	2,536,016	2,462,820	2,365,828						
Unallocated Benefits	36,991,629	39,236,134	44,184,502	43,746,870	44,901,072	47,393,283	51,129,789	53,202,474	56,068,325	57,594,666
Intergovernmental:										
Transfer of Fund to Charter Schools			1,105	21,826	22,279	66,474	44,328	17,252	60,109	
Capital Outlay	1,467,354	1,430,174	2,178,333	3,137,458	7,188,168	9,636,571	3,332,892	3,817,958	6,264,208	3,956,729
Debt Service:										
Principal	2,562,114	2,661,965	3,150,009	3,476,077	2,750,000	2,855,000	2,510,000	2,615,000	2,600,000	2,610,000
Interest and Other Charges	1,563,590	1,458,164	1,405,474	1,206,522	1,059,880	963,775	846,975	744,475	640,175	535,975
Cost of issuance	66,933		231,086	112,370						
Total Expenditures	144,465,654	147,760,263	156,521,123	159,684,068	167,085,595	175,933,087	174,497,054	181,171,313	191,917,432	192,902,876

WAYNE TOWNSHIP PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 352,367	\$ 1,330,977	\$ (1,046,401)	\$ (3,143,856)	\$ (5,750,682)	\$ (7,624,330)	\$ 1,091,143	\$ 1,189,191	\$ (2,379,497)	\$ 1,320,160
Other Financing Sources (Uses):										
Capital Leases (non-budgeted)	600,000	825,000	1,000,000	1,250,000	1,515,800	1,700,000	1,233,000	1,365,300	2,032,804	1,495,600
Proceeds from capital lease				11,065,064						
Refunding bonds issued	2,470,000		25,440,000							
Premium on bonds	150,245		3,977,116							
Payment to Refunding Bond Escrow Agent	(2,553,312)		(29,543,030)							
Prior Year Accounts Payable Canceled			357,000							
SDA Grants Cancelled										(1,124)
Transfers In	177	84	587,061	693,275	167,255	349,281		193,021		2,354,559
Transfers Out	(177)	(136,607)	(587,061)	(693,275)	(230,941)	(370,629)	(40,097)	(239,852)	(114,339)	(2,399,349)
Total Other Financing Sources (Uses)	666,933	688,477	1,231,086	12,315,064	1,452,114	1,678,652	1,192,903	1,318,469	1,918,465	1,449,686
Net Change in Fund Balances	\$ 1,019,300	\$ 2,019,454	\$ 184,685	\$ 9,171,208	\$ (4,298,568)	\$ (5,945,678)	\$ 2,284,046	\$ 2,507,660	\$ (461,032)	\$ 2,769,846

Debt Service as a Percentage of Noncapital Expenditures	2.89%	2.82%	2.95%	2.99%	2.38%	2.30%	1.96%	1.89%	1.75%	1.67%
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WAYNE TOWNSHIP PUBLIC SCHOOLS
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Rents	Refunds	Misc.	Total
2011	\$ 232,591	\$ 7,252	\$ 29,287	\$ 66,499	\$ 575,099	\$ 910,728
2012	233,126	9,127	81,837	11,276	305,399	640,765
2013	262,215	11,318	329,704	112,083	367,866	1,083,186
2014	232,479	5,703	270,927	5,279	207,788	722,176
2015	272,919	1,394	249,905	20,236	437,922	982,376
2016	350,496		272,466	65,816	344,221	1,032,999
2017	569,932	21,596	321,204	61,139	204,697	1,178,568
2018	599,861	64,401	267,511	75,698	1,140,018 #	2,147,489
2019	606,147	119,697	325,696	7,546	586,668	1,645,754
2020	477,652	157,644	122,474	41,105	848,827	1,647,702

- Includes \$815,360 of ESIP program rebates.

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP PUBLIC SCHOOLS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Add: Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate ^b
2010	\$ 60,926,600	\$ 3,827,548,900	\$ 1,405,200	\$ 94,100	\$ 1,086,648,800	\$ 200,571,500	\$ 87,685,600	\$ 5,264,880,700	\$ 7,898,604	\$ 5,272,779,304	\$ 10,676,280,899	\$ 2.341
2011	62,112,500	3,810,021,900	1,405,200	94,100	1,072,707,700	195,634,500	87,685,600	5,229,661,500	495	5,229,661,995	9,548,405,644	2.435
2012	63,224,500	3,793,531,500	1,405,200	76,300	1,048,345,100	194,240,900	87,685,600	5,188,509,100	548	5,188,509,648	9,473,269,396	2.490
2013	63,316,400	3,781,558,800	1,405,200	94,200	1,036,406,200	183,339,400	87,685,600	5,153,805,800	548	5,153,806,348	9,435,749,447	2.562
2014	64,695,600	3,777,401,000	1,405,200	94,200	1,030,307,300	183,158,600	87,685,600	5,144,747,500	548	5,144,748,048	9,450,966,399	2.634
2015	60,953,800	3,780,615,800	1,405,200	94,200	1,017,080,400	181,075,900	87,685,600	5,128,910,900	548	5,128,911,448	9,285,439,839	2.713
2016	61,455,000	3,782,207,300	1,405,200	94,200	1,084,395,800	174,597,300	87,685,600	5,191,840,400		5,191,840,400	9,520,997,642	2.769
2017	73,991,500	3,787,140,800	1,405,200	94,200	1,137,887,300	174,860,800	87,685,600	5,263,065,400		5,263,065,400	10,104,904,128	2.808
2018	49,040,400	3,789,068,600	1,405,200	94,200	1,107,399,700	213,722,000	87,865,600	5,248,595,700		5,248,595,700	9,979,704,094	2.867
2019	51,574,200	3,786,578,900	1,405,200	94,200	1,099,015,200	215,823,600	87,865,600	5,242,356,900		5,242,356,900	10,316,180,734	2.935

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

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

^b - Tax rates are per \$100 of assessed value of assessed value.

WAYNE TOWNSHIP PUBLIC SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(Rate per \$100 of Assessed Value)

Year Ended December 31,	Wayne Township Public Schools Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Wayne Township	Passaic County	
2010	\$ 2.262	\$ 0.079	\$ 2.341	\$ 1.046	\$ 1.130	\$ 4.517
2011	2.356	0.079	2.435	1.093	1.161	4.689
2012	2.411	0.079	2.490	1.141	1.238	4.869
2013	2.481	0.081	2.562	1.171	1.221	4.954
2014	2.555	0.079	2.634	1.206	1.286	5.126
2015	2.638	0.075	2.713	1.214	1.348	5.275
2016	2.695	0.074	2.769	1.199	1.370	5.338
2017	2.744	0.064	2.808	1.189	1.417	5.414
2018	2.805	0.062	2.867	1.204	1.393	5.464
2019	2.874	0.061	2.935	1.211	1.367	5.513

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

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

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Source: A4F and County Abstract of Ratables.

WAYNE TOWNSHIP PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2020			2011			
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Willowbrook Mall	\$ 187,500,000	1	3.58%	Willowbrook Mall	\$ 156,000,000	1	2.96%
West Belt Fee Owners	87,100,000	2	1.66%	Toys "R" Us, Inc	38,527,100	2	0.73%
Mountain View Crossings - UBS Realty Invest	31,970,400	3	0.61%	Wayne PSC, LLC	32,612,400	3	0.62%
GS Portfolio Holdings	31,830,400	4	0.61%	Mountain View Crossings	31,970,400	4	0.61%
MacGregor Realty, Huyler Realty	28,543,000	5	0.54%	Macy's East, Inc.	27,610,700	5	0.52%
PL Wayne, % Kimco Realty	26,000,000	6	0.50%	PL Wayne, % Kimco Realty	26,000,000	6	0.49%
Point View Wayne Properties	25,859,600	7	0.49%	Levco Associates	24,808,600	7	0.47%
Wayne PSC, LLC	25,727,000	8	0.49%	Wayne Retail, Wayne Towne Center	22,900,000	8	0.43%
Macy's East, Inc., % Federated Dept. Store	25,500,000	9	0.49%	Sears Roebuck	18,078,000	9	0.34%
Centerpointe Demarest LLC	22,473,700	10	0.43%	Maquet Cardiovascular, LLC	17,706,600	10	0.34%
Total	\$ 492,504,100		9.38%	Total	\$ 396,213,800		7.51%

Source: Wayne Township Tax Assessor.

WAYNE TOWNSHIP PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 127,360,545	\$ 127,360,545	100.00%	\$ -0-
2012	129,001,249	129,001,249	100.00%	-0-
2013	131,397,231	131,397,231	100.00%	-0-
2014	134,498,235	134,498,235	100.00%	-0-
2015	136,725,121	136,725,121	100.00%	-0-
2016	141,548,472	141,548,472	100.00%	-0-
2017	146,388,776	146,388,776	100.00%	-0-
2018	149,184,756	149,184,756	100.00%	-0-
2019	152,448,320	152,448,320	100.00%	-0-
2020	155,338,283	155,338,283	100.00%	-0-

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

Source: Wayne Township Public Schools District records, including the Certificate and Report of Report of School Taxes (A4F form).

WAYNE TOWNSHIP PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Loans Payable	Capital Leases	Bond Anticipation Notes (BANs)				
2011	\$ 37,668,000	\$ 20,893	\$ 765,188	-0-	\$ 38,454,081	1.66%	\$ 698.72	
2012	35,013,000	13,928	1,231,262	-0-	36,258,190	1.54%	660.19	
2013	29,275,000	6,963	1,853,218	-0-	31,135,181	1.31%	568.17	
2014	26,400,000	-0-	13,574,168	-0-	39,974,168	1.60%	732.09	
2015	* 26,633,619	-0-	14,207,763	-0-	40,841,382	1.64%	747.97	
2016	* 23,384,748	-0-	13,863,409	-0-	37,248,157	1.45%	683.26	
2017	* 20,504,784	-0-	13,011,526	-0-	33,516,310	1.29%	618.22	
2018	* 17,519,820	-0-	12,228,686	-0-	29,748,506	1.14%	550.63	
2019	* 14,549,856	-0-	12,326,224	-0-	26,876,080	0.99%	501.19	
2020	* 11,569,892	-0-	11,784,398	-0-	23,354,290	0.87%	437.60	

* - Includes unamortized bond premiums.

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

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

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Net Valuation</u> <u>Taxable ^a</u>	<u>Per Capita ^b</u>
2011	\$ 37,668,000		\$37,668,000	0.71%	\$ 687.97
2012	35,013,000		35,013,000	0.67%	636.20
2013	29,275,000		29,275,000	0.56%	533.04
2014	26,400,000		26,400,000	0.51%	481.76
2015	26,633,619		26,633,619	0.52%	487.77
2016	23,384,748		23,384,748	0.46%	428.96
2017	20,504,784		20,504,784	0.39%	378.22
2018	17,519,820		17,519,820	0.33%	324.28
2019	14,549,856		14,549,856	0.28%	271.33
2020	11,569,892		11,569,892	0.22%	216.79

* - Includes unamortized bond premiums.

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
UNAUDITED

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Wayne Township	\$ 106,236,878	100.00%	\$ 106,236,878
Passaic County General Obligation Debt (including Passaic County Utilities Authority debt)	326,206,257	20.42%	<u>66,610,823</u>
Subtotal, Overlapping Debt			172,847,701
Wayne Township Public Schools District Direct Debt			<u>23,354,290</u>
Total Direct and Overlapping Debt			<u><u>\$ 196,201,991</u></u>

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

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 residents and businesses of Wayne. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping unit.

Sources: Wayne Township Administrator/Passaic County Treasurer's Office

WAYNE TOWNSHIP PUBLIC SCHOOLS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 290,827,604	\$ 418,139,679	\$ 395,972,746	\$ 379,432,326	\$ 377,745,146
Total Net Debt Applicable to Limit	37,668,000	35,013,000	29,275,000	26,400,000	26,633,619
Legal Debt Margin	<u>\$ 253,159,604</u>	<u>\$ 383,126,679</u>	<u>\$ 366,697,746</u>	<u>\$ 353,032,326</u>	<u>\$ 351,111,527</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.95%	8.37%	7.39%	6.96%	7.05%

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt Limit	\$ 375,452,234	\$ 381,155,605	\$ 390,310,519	\$ 402,504,845	\$ 415,669,422
Total Net Debt Applicable to Limit	23,384,748	20,504,784	17,519,820	14,549,856	11,569,892
Legal Debt Margin	<u>\$ 352,067,486</u>	<u>\$ 360,650,821</u>	<u>\$ 372,790,699</u>	<u>\$ 387,954,989</u>	<u>\$ 404,099,530</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.23%	5.38%	4.49%	3.61%	2.78%

Legal Debt Margin Calculation for Fiscal Year 2020	
Year Ended December 31,	Equalized Valuation Basis
2017	\$ 9,969,815,116
2018	10,291,011,176
2019	<u>10,914,380,387</u>
	<u>\$ 31,175,206,679</u>
Average Equalized Valuation of Taxable Property	<u>\$ 10,391,735,560</u>
Debt Limit (4% of Average Equalization Value)	\$ 415,669,422
Net Bonded School Debt	<u>11,569,892</u>
Legal Debt Margin	<u>\$ 404,099,530</u>

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Year	Population ^a	Passaic County Per Capita Personal Income ^c	Personal Income (thousands of dollars) ^b	Township Unemployment Rate ^d
2011	55,035	\$ 42,085	\$ 2,316,147,975	7.1%
2012	54,921	42,798	2,350,508,958	7.2%
2013	54,799	43,383	2,377,345,017	6.4%
2014	54,603	45,746	2,497,868,838	5.3%
2015	54,515	47,155	2,570,654,825	4.5%
2016	54,214	47,770	2,589,802,780	3.9%
2017	54,026	48,294	2,609,131,644	3.7%
2018	53,624	50,570	2,711,765,680	3.3%
2019	53,369	50,570 *	2,698,870,330	2.8%
2020	53,369 **	50,570 *	2,698,870,330 ***	N/A

N/A - Information is not available

* - Latest Passaic County per capita personal income data available (2018) was used for calculation purposes.

** - Latest population data available (2019) was used for calculation purposes.

***- Latest population data (2019) and latest per capita personal income (2018) was used for calculation purposes.

Source:

a - Population information provided by the US Department of Census - Population Division.

b - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

c - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
PRINCIPAL EMPLOYERS OF PASSAIC COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	Percentage of Total		Employer	Percentage of Total	
	Employees	Employment		Employees	Employment
Valley National Bancorp	2,756	2.14%	Geoffrey, Inc.	1,500	0.99%
Bayer Health Care Phrmctcls	1,800	1.40%	BAE Systems Communication	1,375	0.91%
Bp Lubricants USA Inc	1,400	1.09%	Toys R Us, Inc.	1,300	0.86%
BAE Systems	1,000	0.78%	St. Joseph's Wayne Hospital	1,300	0.86%
Getinge USA Inc	700	0.54%	William Paterson University	1,000	0.66%
Sears	650	0.50%	International Specialty Products	850	0.56%
Cheesecake Factory	250	0.19%	Bayer Health Pharmaceuticals	700	0.46%
Gobain Performance Plastics	240	0.19%	Preakness Health Care Center	700	0.46%
MAQUJET	200	0.16%	Boston Scientific - Wayne Plant	500	0.33%
Haier America Trading LLC	200	0.16%	Fortunoff	500	0.33%
	<u>9,196</u>	<u>7.15%</u>		<u>9,725</u>	<u>6.41%</u>

Source: Passaic County Treasurer's Office and Economic Development Commission.

WAYNE TOWNSHIP PUBLIC SCHOOLS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction:										
Regular	594	538	539	536	578	562	560	567	576	577
Special Education	225	250	257	329	353	340	340	339	345	347
Support Services:										
Student & Instruction Related Services	131	131	139	125	120	120	120	124	130	134
General Administrative Services	14	13	22	13	20	20	20	20	20	20
School Administrative Services	52	46	45	52	57	54	49	52	55	57
Central services	18	17	17	17	18	15	15	15	15	15
Administrative information technology	14	11	11	14	12	13	12	12	12	12
Plant Operations and Maintenance	115	104	103	125	130	151	150	150	150	150
Pupil Transportation	91	94	95	93	105	98	104	104	104	104
Business and Other Support Services	71	63	63	57	68	68	68	68	68	68
Total	1,325	1,267	1,291	1,361	1,461	1,441	1,438	1,451	1,475	1,484

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP PUBLIC SCHOOLS
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Pupil/Teacher Ratio										Student Attendance Percentage	
	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff ^d	Elementary School	Middle School	High School	Average Daily Enrollment (ADE) ^e	Average Daily Attendance (ADA) ^e		% Change in Average Daily Enrollment
2011	8,684	\$ 138,805,663	\$15,984	0.83%	819	1:10.6	1:09.8	1:10.4	8,684	8,288	-1.58%	95.44%
2012	8,563	142,209,960	16,607	3.90%	788	1:14.3	1:10.7	1:11.4	8,563	8,198	-1.39%	95.74%
2013	8,502	149,556,221	17,591	5.92%	796	1:13.6	1:10.7	1:11.0	8,492	8,100	-0.83%	95.38%
2014	8,201	151,751,641	18,504	5.19%	864	1:15.3	1:11.0	1:12.0	8,356	7,907	-1.60%	94.63%
2015	8,144	156,087,547	19,166	3.58%	736	1:12.2	1:10.2	1:10.8	8,092	7,676	-3.16%	94.86%
2016	8,021	162,477,741	20,257	5.69%	741	1:12.2	1:10.2	1:10.8	8,026	7,644	-0.82%	95.24%
2017	7,963	167,807,187	21,073	4.03%	795	1:13.6	1:10.7	1:11.0	7,920	7,488	-1.32%	94.55%
2018	7,869	173,993,880	22,111	4.93%	796	1:13.6	1:10.7	1:11.0	7,932	7,469	0.15%	94.16%
2019	7,727	182,413,049	23,607	6.77%	801	1:12.7	1:10.0	1:11.0	7,801	7,387	-1.65%	94.69%
2020	7,701	185,800,172	24,127	2.20%	804	1:12.7	1:10.0	1:11.0	7,719	7,398	-1.05%	95.84%

- a** - Enrollment is obtained from October Enrollment Summary, including students placed out of district.
- b** - Operating expenditures equal total expenditures less debt service and capital outlay.
- c** - Cost per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other (State) cost per pupil calculations.
- d** - Teaching staff includes only full-time equivalents of certificated staff.
- e** - Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Wayne Township Public Schools District records.

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
<u>Elementary Schools</u>										
<u>Randall Carter</u>										
Square Feet	36,070	36,070	36,070	36,070	36,070	36,071	36,071	36,071	36,070	36,070
Capacity (students)	415	415	415	415	415	415	415	415	415	415
Enrollment	353	365	365	365	365	320	336	334	346	346
<u>Theunis Dey</u>										
Square Feet	43,360	43,360	43,360	43,360	43,360	43,360	43,360	43,360	43,351	43,351
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment	447	441	441	441	441	431	445	435	431	431
<u>James Fallon</u>										
Square Feet	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765
Capacity (students)	351	351	351	351	351	351	351	351	351	351
Enrollment	418	396	396	396	396	358	357	381	384	384
<u>John F. Kennedy</u>										
Square Feet	43,530	43,530	43,530	43,530	43,530	43,530	43,530	43,530	43,732	43,732
Capacity (students)	428	428	428	428	428	428	428	428	428	428
Enrollment	428	452	452	452	452	442	416	417	400	400
<u>Lafayette</u>										
Square Feet	38,850	38,850	38,850	38,850	38,850	38,850	38,850	38,850	39,031	39,031
Capacity (students)	416	416	416	416	416	416	416	416	416	416
Enrollment	397	381	381	381	381	327	334	301	299	299
<u>Packanack Lake</u>										
Square Feet	49,195	49,195	49,195	49,195	49,195	49,195	49,195	49,195	50,129	50,129
Capacity (students)	404	404	404	404	404	404	404	404	404	404
Enrollment	496	510	510	510	510	462	447	441	458	458
<u>Pines Lake</u>										
Square Feet	47,610	47,610	47,610	47,610	47,610	47,610	47,610	47,610	47,090	47,090
Capacity (students)	446	446	446	446	446	446	446	446	446	446
Enrollment	448	429	429	429	429	367	398	380	370	370

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
Ryerson										
Square Feet	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715
Capacity (students)	424	424	424	424	424	424	424	424	424	424
Enrollment	282	262	262	262	262	263	284	275	289	289
Albert Payson Terhune										
Square Feet	40,295	40,295	40,295	40,295	40,295	40,295	40,295	40,295	41,102	41,102
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment	412	412	412	412	412	420	396	398	418	418
<u>Middle Schools</u>										
Schuyler Colfax										
Square Feet	121,395	121,395	121,395	121,395	121,395	121,395	121,395	121,395	127,170	127,170
Capacity (students)	758	758	758	758	758	758	758	758	758	758
Enrollment	717	780	780	780	780	733	752	693	680	680
George Washington										
Square Feet	109,220	109,220	109,220	109,220	109,220	109,220	109,220	109,220	109,506	109,506
Capacity (students)	686	686	686	686	686	686	686	686	686	686
Enrollment	652	603	603	603	603	557	582	556	557	557
Anthony Wayne										
Square Feet	101,500	101,500	101,500	101,500	101,500	101,500	101,500	101,500	109,044	109,044
Capacity (students)	497	497	497	497	497	497	497	497	497	497
Enrollment	756	714	714	714	714	654	632	653	629	629
<u>High Schools</u>										
Wayne Valley										
Square Feet	239,260	239,260	239,260	239,260	239,260	239,260	239,260	239,260	266,535	266,535
Capacity (students)	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615
Enrollment	1,434	1,479	1,479	1,479	1,479	1,337	1,302	1,255	1,260	1,260
Wayne Hills										
Square Feet	229,860	229,860	229,860	229,860	229,860	229,860	229,860	229,860	258,412	258,412
Capacity (students)	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673
Enrollment	1,387	1,339	1,339	1,339	1,339	1,350	1,329	1,286	1,280	1,280

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>District Building</u>										
<u>Other</u>										
Preakness Academy										
Square Feet	25,130	25,130	25,130	25,130	25,130	25,130	25,130	25,130	28,855	28,855
Capacity (students)	77	77	77	77	77	77	77	77	77	77
Outdoor Lab										
Square Feet	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
Child Study Team										
Square Feet	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
Transportation Building										
Square Feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995
Maintenance Building										
Square feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995

Number of Schools at June 30, 2020

- Elementary School = 9
- Middle School = 3
- High School = 2
- Other = 5

Note: Enrollment is based on the annual October District count and does not include out of district placements.

Source: Wayne Township Public Schools District.

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance
 For School Facilities - Account #11-000-261-XXX:

School Facilities*	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
A.P Terhune Elementary School	\$ 56,021	\$ 67,568	\$ 74,929	\$ 76,112	\$ 75,183	\$ 80,245	\$ 76,185	\$ 69,698	\$ 102,202	\$ 85,684
Administration Building	28,444	34,307	27,682	28,138	27,795	29,550	201,916	35,389	37,758	31,656
Anthony Wayne Middle School	141,114	170,200	198,788	202,111	199,645	212,712	28,048	175,565	271,144	227,320
George Washington Middle School	151,846	183,145	199,630	203,316	200,835	213,477	202,615	188,918	272,292	228,283
James Fallon Elementary School	62,236	75,064	81,607	83,244	82,228	87,378	82,953	77,430	111,311	93,320
John F. Kennedy Elementary School	60,519	72,993	79,724	81,371	80,378	85,340	81,014	75,294	108,742	91,167
Lafayette Elementary School	54,012	65,145	71,154	72,664	71,777	76,169	72,309	67,199	97,053	81,367
Packanack Elementary School	68,395	82,492	91,386	93,370	92,231	97,822	92,863	85,093	124,648	104,502
Pines Lake Elementary School	66,191	79,835	85,845	87,761	86,690	91,709	87,030	82,351	117,092	98,167
Preakness	34,939	42,139	52,603	53,806	53,149	56,299	54,736	43,467	71,749	60,153
Randall Carter Elementary School	50,147	60,484	65,756	67,281	66,460	70,309	66,732	62,390	89,690	75,194
Ryerson Elementary School	64,947	78,334	85,162	87,171	86,107	91,199	86,582	80,804	116,159	97,385
Schuyler-Coffax Middle School	168,773	203,560	231,832	237,418	234,521	247,104	234,389	209,978	316,215	265,107
Theunis Dey Elementary School	60,283	72,708	79,029	81,037	80,048	84,576	80,284	75,000	107,795	90,372
Wayne Hills High School	319,570	385,439	471,087	483,244	477,347	503,888	478,245	397,589	642,555	538,703
Wayne Valley High School	332,639	401,202	485,896	499,565	493,469	519,690	475,534	413,850	662,753	555,637
Grand Total	\$ 1,720,076	\$ 2,074,615	\$ 2,382,110	\$ 2,437,609	\$ 2,407,863	\$ 2,547,467	\$ 2,401,435	\$ 2,140,015	\$ 3,249,158	\$ 2,724,017

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2020
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
New Jersey Schools Insurance Group		
Commercial Property	\$ 500,000,000	\$ 5,000
Computer Equipment	4,000,000	1,000
Equipment Breakdown/Boiler and Machinery	100,000,000	5,000
Valuable Papers & Records	10,000,000	5,000
Automobile	16,000,000	
General Liability	16,000,000	
Environmental	11,000,000	50,000
Employee Dishonesty	500,000	1,000
Theft, Disappearance and Destruction-Loss of Money & Securities on or off premises	100,000	500
Theft, Disappearance and Destruction-Money Orders & Counterfeit Paper Currency	100,000	500
Forgery or Alteration	25,000	500
Computer Fraud	100,000	1,000
	Total Budget Payrolls	
Workers Compensation	93,343,970	
New Jersey Schools Insurance Group		
School Leaders Errors & Omissions	16,000,000	25,000
Torus National Insurance Company		
High Excess Liability	30,000,000	
QBE Insurance Corporation		
Volunteer Liability	500,000	
Hartford Fire Insurance Company		
Treasurer of School Monies	550,000	
New Jersey Schools Insurance Group		
Board Secretary/Business Administrator	1,000,000	1,000
Assistant Business Administrator	1,000,000	1,000

Source: Wayne Township Public Schools District Financial Reports.

SINGLE AUDIT SECTION

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Independent Member
BKR International



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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Wayne Township Public Schools
County of Passaic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township Public Schools, in the County of Passaic (the "District") as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 2020.

Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
Wayne Township Public Schools
Page 2

Compliance and Other Matters

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

Purpose of this Report

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

Mount Arlington, New Jersey
December 16, 2020

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

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



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Independent Member
BKR International

Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Wayne Township Public Schools
County of Passaic, New Jersey

Report on Compliance for Each Major Federal and State Program

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

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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the 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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, the Uniform Guidance and New Jersey's OMB 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 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 District's compliance.

The Honorable President and Members
of the Board of Education
Wayne Township Public Schools
Page 2

Opinion on Each Major Federal and State Program

In our opinion, the 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 fiscal year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the 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 District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and 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 and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJOMB 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 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 or NJOMB 15-08. Accordingly, this report is not suitable for any other purpose.

Mount Arlington, New Jersey
December 16, 2020

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2019		Cash Received	Budgetary Expenditures	Canceled	Balance at June 30, 2020		Amounts Provided to Subrecipients
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	
U.S. Department of Education - Passed-through State Department of Education: Special Revenue Fund: Special Education Cluster: I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5570-20	7/1/19	9/30/20	\$ 1,820,020		\$ 1,203,604	\$ (1,663,512)			\$ (459,908)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5570-19	7/1/18	9/30/19	1,828,771		951,116						
I.D.E.A. - Part B, Preschool	84.173	IDEA-5570-20	7/1/19	9/30/20	72,976		67,880	(72,976)			(5,096)		
I.D.E.A. - Part B, Preschool	84.173	IDEA-5570-19	7/1/18	9/30/19	79,131		9,968						
Subtotal Special Education Cluster							2,232,568	(1,736,488)			(465,004)		
Elementary and Secondary Education Act:													
Title I	84.010	ESEA-5570-20	7/1/19	9/30/20	700,611		315,465	(390,029)			(74,564)		
Title I	84.010	ESEA-5570-19	7/1/18	9/30/19	686,726		325,256		\$ (8,770)				
Title I	84.010	ESEA-5570-18	7/1/17	6/30/18	680,332				81,097				
Title I - Reallocated	84.010	ESEA-5570-20	7/1/20	9/30/20	6,061		4,335	(4,257)				\$ 78	
Title I - Reallocated	84.010	ESEA-5570-19	2/1/19	9/30/19	9,696		7,844		1,504				
Title II A	84.367A	ESEA-5570-19	7/1/18	9/30/19	211,570		72,688	(126,335)			(17,345)		
Title II A	84.367A	ESEA-5570-20	7/1/19	9/30/20	161,128		108,990				(2,696)		
Title III - Immigrant	84.365A	ESEA-5570-20	7/1/19	9/30/20	18,930		7,165	(9,861)	14				
Title III - Immigrant	84.365A	ESEA-5570-19	7/1/18	9/30/19	13,690		8,493				(1,220)		
Title III	84.365A	ESEA-5570-20	7/1/19	9/30/20	50,097		23,895	(25,115)					
Title III	84.365A	ESEA-5570-19	7/1/18	9/30/19	67,204		47,898		469				
Title IV	84.424	ESEA-5570-20	7/1/19	9/30/20	104,849		36,345	(37,440)			(1,095)		
Title IV	84.424	ESEA-5570-19	7/1/18	9/30/19	36,302		15,918						
Carl D. Perkins - Vocational Education	84.048A	PERK-5570-20	7/1/19	6/30/20	35,011		33,467	(33,467)					
Carl D. Perkins - Vocational Education	84.048A	PERK-5570-19	7/1/18	6/30/19	35,435		16,741		(47)				
COVID-19 - CARES Emergency Relief	84.425D	CARES-5570-20	3/13/20	9/30/22	449,375			(376,010)			(376,010)		
Total Special Revenue Fund							3,257,068	(2,739,002)	68,113		(937,934)		78

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal CFDA Number	Grant or State Project Number	Grant Period From To	Program or Award Amount	Due to Grantor	Cash Received	Budgetary Expenditures	Canceled	Balance at June 30, 2020	
								Unearned Revenue/ (Accounts Receivable)	(Accounts Receivable) Revenue
			\$ 82,391		\$ 82,391	\$ (82,391)			
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:									
General Fund:									
			\$ 82,391			\$ (82,391)			
Medical Assistance Program									
93.778	N/A	7/1/19 6/30/20	\$ 82,391			\$ (82,391)			
Total U.S. Department of Health and Human Services/Total Medicaid Cluster									
U.S. Department of Agriculture - Passed-through State Department of Agriculture:									
Child Nutrition Cluster:									
10.556	N/A	7/1/19 6/30/20	671		671	(671)			
10.556	N/A	7/1/18 6/30/19	1,145	\$ (75)	75				
10.553	N/A	7/1/19 6/30/20	14,149		14,149	(14,149)			
COVID 19 - Seamless Summer Option - Breakfast									
10.553	N/A	3/18/20 6/30/20	35,388		17,695	(35,388)		\$ (17,693)	
10.553	N/A	7/1/18 6/30/19	23,359		2,029				
10.555	N/A	7/1/19 6/30/20	227,266		227,266	(227,266)			
10.555	N/A	3/18/20 6/30/20	62,636		31,303	(62,636)		(31,333)	
10.555	N/A	7/1/18 6/30/19	336,706		29,574				
10.555	N/A	7/1/19 6/30/20	133,732		133,732	(91,211)		\$ 42,521	
10.555	N/A	7/1/18 6/30/19	127,594		456,494	(6,315)		(49,026)	42,521
Subtotal Child Nutrition Cluster									
					456,494	(437,636)		(49,026)	42,521
Total U.S. Department of Agriculture									
					\$ 3,795,953	\$ (3,259,029)	\$ 68,113	\$ (986,960)	\$ 42,599
TOTAL FEDERAL AWARDS									
				\$ - 0 -	\$ 3,795,953	\$ (3,259,029)	\$ 68,113	\$ (986,960)	\$ 42,599
									\$ - 0 -

N/A - Not Available/Applicable

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

State Department of Education: General Fund:	State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2019		Repayment of Prior Years' Balances	Balance at June 30, 2020		MEMO
			From	To		Budgetary Unearned/ (Accounts Receivable)	Due to Grantor		GAAP (Accounts Receivable)	Budgetary Unearned Revenue	
	Transportation Aid	20-495-034-5120-014	7/1/19	6/30/20	\$ 1,449,581	\$	\$ 1,330,402		\$	\$ (119,179)	\$ 1,449,581
	Transportation Aid	19-495-034-5120-014	7/1/18	6/30/19	1,449,581		125,279				1,449,581
	Special Education Categorical Aid	20-495-034-5120-089	7/1/19	6/30/20	4,123,902	\$ (125,279)	3,784,852			(339,050)	4,123,902
	Special Education Categorical Aid	19-495-034-5120-089	7/1/18	6/30/19	3,556,094	(307,333)	307,333			(12,728)	3,556,094
	Security Aid	20-495-034-5120-084	7/1/19	6/30/20	154,816	(13,380)	142,088				154,816
	Security Aid	19-495-034-5120-084	7/1/18	6/30/19	154,816		13,380				154,816
	Extraordinary Special Education Costs Aid	20-495-034-5120-044	7/1/19	6/30/20	3,078,419	(3,382,472)	3,382,472		\$ (3,078,419)	(3,078,419)	3,078,419
	Extraordinary Special Education Costs Aid	19-495-034-5120-044	7/1/18	6/30/19	3,382,472						3,382,472
	Nonpublic School Transportation Costs	20-495-034-5120-014	7/1/19	6/30/20	7,460	(107,300)	107,300		(7,460)	(7,460)	7,460
	Nonpublic School Transportation Costs	19-495-034-5120-014	7/1/18	6/30/19	107,300		4,890,717			(256,529)	107,300
	TPAF Social Security Aid	20-495-034-5094-003	7/1/19	6/30/20	5,147,246	(246,591)	246,591				5,147,246
	TPAF Social Security Aid	19-495-034-5094-003	7/1/18	6/30/19	4,952,751		5,254,541				4,952,751
	On-Behalf TPAF Post Retirement Contributions	20-495-034-5094-001	7/1/19	6/30/20	5,254,541		13,914,481				5,254,541
	On-Behalf TPAF Pension Contributions	20-495-034-5094-002	7/1/19	6/30/20	13,914,481		249,401				13,914,481
	On-Behalf TPAF Non-Contributory Insurance	20-495-034-5094-004	7/1/19	6/30/20	249,401		9,654				249,401
	On-Behalf TPAF Long-Term Disability Insurance	20-495-034-5094-004	7/1/19	6/30/20	9,654						9,654
	Total General Fund State Aid					(4,182,355)	33,758,491		(3,342,408)	(3,813,365)	46,992,515
Special Revenue Fund:											
NJ Nonpublic Aid:											
Technology Initiative		20-100-034-5120-373	7/1/19	6/30/20	49,860		49,860				49,860
Textbook Aid (Chapter 194)		20-100-034-5120-064	7/1/19	6/30/20	73,002		73,002				72,422
Textbook Aid (Chapter 194)		19-100-034-5120-064	7/1/18	6/30/19	73,531						72,277
Textbook Aid (Chapter 194)		18-100-034-5120-064	7/1/17	6/30/18	75,540						75,518
Nursing Services (Chapter 226)		20-100-034-5120-070	7/1/19	6/30/20	138,516		138,516				137,449
Security Aid		20-100-034-5120-509	7/1/19	6/30/20	214,200		214,200				211,050
Security Aid		19-100-034-5120-509	7/1/18	6/30/19	218,700						214,984
Auxiliary Services (Chapter 192):											
Compensatory Education		20-100-034-5120-067	7/1/19	6/30/20	79,658		79,658				78,768
English as a Second Language		20-100-034-5120-067	7/1/19	6/30/20	20,681		20,681				6,452
English as a Second Language		19-100-034-5120-067	7/1/18	6/30/19	25,020						11,044
Home Instruction		20-100-034-5120-067	7/1/19	6/30/20	13,714						13,714
Home Instruction		19-100-034-5120-067	7/1/18	6/30/19	946	(946)				(13,714)	946

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

State Grantor/Program Title	Grant or State Project Number	Grant Period From To	Program or Award Amount	Balance at June 30, 2019		Cash Received	Budgetary Expenditures	Canceled	Repayment of Prior Years' Balances	Balance at June 30, 2020		MEMO		
				Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor					GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
Special Revenue Fund:														
NJ Nonpublic Aid:														
Handicapped Services (Chapter 193):														
Supplementary Instruction	20-100-034-5120-066	7/1/19 6/30/20	\$ 78,196	\$	\$ 78,196	\$	(76,579)		\$ (10,148)	\$	\$ 1,617	\$	76,579	
Supplementary Instruction	19-100-034-5120-066	7/1/18 6/30/19	77,710	\$ 10,148	84,173	(82,873)					1,300		82,873	
Examination and Classification	20-100-034-5120-066	7/1/19 6/30/20	83,734	3,283	13,398	(11,757)		(3,283)			1,641		80,451	
Examination and Classification	19-100-034-5120-066	7/1/18 6/30/19	24,106	11,964				(11,964)					12,142	
Corrective Speech	20-100-034-5120-066	7/1/19 6/30/20												
Corrective Speech	19-100-034-5120-066	7/1/18 6/30/19												
Total Special Revenue Fund				\$ (946)	44,363	752,630	(740,528)		(44,363)	\$ (13,714)	\$ 24,870	\$ (13,714)	1,275,848	
Enterprise Fund:														
State School Lunch Program														
COVID 19 - Seamless Summer Option - Lunch	20-100-010-3350-023	7/1/19 6/30/20	15,486		11,371	(15,486)				(4,115)		(4,115)	15,486	
State School Lunch Program	20-100-010-3350-023	3/18/20 6/30/20	3,747		3,252	(3,747)				(495)		(495)	3,747	
State School Lunch Program	19-100-010-3350-023	7/1/18 6/30/19	17,529		1,579								17,529	
State School Lunch Program	18-100-010-3350-023	7/1/17 6/30/18	17,846							(1,678)		(1,678)	17,846	
Total Enterprise Fund				(3,257)	16,202		(19,233)			(6,288)		(6,288)	55,060	
Schools Development Authority:														
Capital Projects Fund:														
Educational Facilities, Construction & Financing Act:														
Wayne Hills High School:														
Partial Roof Replacement	5570-055-14-1002	6/17/14 6/30/16	122,932		122,932								122,932	
New ADA Restroom	5570-055-14-1005	6/17/14 6/30/16	35,477		35,477			1,124					35,477	
George Washington Middle School:														
Exterior Window Replacement	5570-083-14-1003	6/17/14 6/30/16	61,000		61,000								61,000	
Lafayette Elementary School:														
Partial Roof Replacement	5570-090-14-1004	6/17/14 6/30/16	57,490		57,490								57,490	
Total Capital Projects Fund				(278,023)	276,899			1,124					276,899	
TOTAL STATE AWARDS				\$ (4,464,581)	\$ 44,363	\$ 34,804,222	\$ (34,149,262)	\$ 1,124	\$ (44,363)	\$ (3,362,410)	\$ -0-	\$ 24,870	\$ (3,833,367)	\$ 48,600,322

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

On-Behalf TPAF Pension System Contributions:

On-Behalf TPAF Post Retirement Contributions	20-495-034-5094-001	7/1/19 6/30/20	5,254,541
On-Behalf TPAF Pension Contributions	20-495-034-5094-002	7/1/19 6/30/20	13,914,481
On-Behalf TPAF Non-Contributory Insurance	20-495-034-5094-004	7/1/19 6/30/20	249,401
On-Behalf TPAF Long-Term Disability Insurance	20-495-034-5094-004	7/1/19 6/30/20	9,654

Subtotal - On-Behalf TPAF Pension System Contributions

19,428,077

Total State Awards Subject to Single Audit Major Program Determination

\$ (14,721,185)

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include federal and state awards activity of the Board of Education, Wayne Township Public Schools under programs of the federal and state governments for the fiscal year ended June 30, 2020. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented on the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent 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 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 these payments are not recognized until the subsequent budget year due to the state deferral and recording of the 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 revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$24,965) for the general fund and (\$111,389) for the special revenue fund, (of which \$1,880 is for local awards and is not included in the table below). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenue are reported on the Board's financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ 82,391	\$ 33,364,536	\$33,446,927
Special Revenue Fund	2,629,493	740,528	3,370,021
Capital Projects Fund		267,435	267,435
Food Service Enterprise Fund	437,636	19,233	456,869
Total Financial Assistance	\$ 3,149,520	\$ 34,391,732	\$37,541,252

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2020.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District had \$278,023 in prior year SDA grants receivable in connection with several construction projects. Current year collections were \$276,699 and the balance of \$1,124 was canceled. As of June 30, 2020, the District had no open grants or receivables.

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Summary of Auditors' Results:

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

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. - Part B, Basic:				
Regular	84.027	7/1/19-9/30/20	\$ 1,820,020	\$ 1,663,512
Preschool	84.173	7/1/19-9/30/20	72,976	72,976
<u>State:</u>				
Special Education				
Categorical Aid	20-495-034-5120-089	7/1/19-6/30/20	4,123,902	4,123,902
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	154,816	154,816

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

Summary of Auditors' Results: (Cont'd)

- The threshold used for distinguishing between Type A and Type B federal programs and state programs was \$750,000.
- The single audit threshold identified in the Uniform Guidance and New Jersey's OMB Circular 15-08 was \$750,000.
- The District was determined to be a "low-risk" auditee for both federal and state programs.

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

WAYNE TOWNSHIP PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Status of Prior Year Findings:

The District had no prior year audit findings.