

**WEST MORRIS REGIONAL  
HIGH SCHOOL DISTRICT**

**West Morris Regional High School District Board of Education  
Chester, New Jersey**

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

**Comprehensive Annual  
Financial Report**

**of the**

**West Morris Regional  
High School District**

**Chester, New Jersey**

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

**Prepared by**

**West Morris Regional High School District  
Board of Education**

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INTRODUCTORY SECTION  
(UNAUDITED)



# WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

10 SOUTH FOUR BRIDGES ROAD, CHESTER, NEW JERSEY 07930

Phone: (908) 879-6404 www.wmrhsd.org



MICHAEL BEN-DAVID J.D./M.Ed.  
SUPERINTENDENT OF SCHOOLS

ED BRAUN  
ASSISTANT SUPERINTENDENT OF SCHOOLS

L. DOUGLAS PECHANEC  
BUSINESS ADMINISTRATOR/BOARD SECRETARY

MICHAEL REINKNECHT  
DIRECTOR OF SPECIAL EDUCATION

November 16, 2020

The Honorable President and Members  
of the Board of Education  
West Morris Regional High School District  
County of Morris, New Jersey

Dear Honorable President and Board Members:

The Comprehensive Annual Financial Report of the West Morris Regional High School District (the "District") for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the West Morris Regional High School District 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 and consultants. 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 economic 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 the Single Audit Act Amendments of 1996 and 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*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** West Morris Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The West Morris Regional High School District Board of Education and all its schools constitute the District's reporting entity.

The District, serving the Boroughs of Chester and Mendham and the Townships of Chester, Mendham and Washington, was formed on September 1, 1958, pursuant to Chapter 13 of Title 18A of New Jersey Statutes, which authorizes two or more municipalities to create a regional school district upon the approval of the voters of each of said municipalities. The School District is one of "limited purpose" in that it does not operate a K-8 school system; instead K-8 students of the municipalities attend separate K-8 school districts maintained by four of the five municipalities. Chester Borough and Chester Township schools are consolidated under the name "Chester Township School District" and the remaining three municipalities constitute separate districts.

While some residents commute to jobs in the Newark-New York City area, many residents work in nearby communities. They primarily are professionals, executives, clerical and skilled workers, a few farmers and local independent business people. Housing throughout the School District varies from apartments, townhouses, colonial and Victorian residences to new developments and large contemporary homes on several acres.



The School District operates two, grade 9-12, comprehensive high schools: West Morris Mendham High School, which is located in Mendham Borough, and West Morris Central High School, which is located in Washington Township. Students residing in Washington Township generally attend West Morris Central High; students residing in Chester Borough, Chester Township, Mendham Township and Mendham Borough generally attend West Morris Mendham High.

The School District is administered by a nine-member Board of Education (“the Board”), with three members elected each year for three-year terms. A candidate for the Board must have resided in the School District for at least one year and not be interested directly in any claim or contract with the Board. Board members serve without compensation. The Board annually chooses a President and a Vice President from among its members and also appoints the Treasurer of School Monies, Board Secretary/Business Administrator and Assistant Board Secretary. The Superintendent of Schools is appointed by the Board on a renewable contractual basis for a minimum of three and a maximum of five years. In January 2012, the Board voted to move the election to November as allowed by NJ Statutes, forgoing a budget vote for four years, provided the budget is at or below the tax cap indicated within state statute. Bonds authorized by the Board for capital projects must be approved or disapproved by the voters in the School District in a referendum election which may be held at various specific times in accordance with State statute.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for students with educational disabilities. The District completed the 2019/2020 fiscal year with an enrollment of 2,446 students. The following table illustrates the changes in the student enrollment of the District over the last ten years.

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Average Daily Enrollment

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<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	2,357	(2.92%)
2018-2019	2,428	(1.38%)
2017-2018	2,462	(4.35%)
2016-2017	2,574	(0.92%)
2015-2016	2,598	(2.29%)
2014-2015	2,659	(2.78%)
2013-2014	2,735	(1.41%)
2012-2013	2,774	1.62%
2011-2012	2,729	0.11%
2010-2011	2,726	1.49%

2. ECONOMIC CONDITION AND OUTLOOK: The five communities which compromise the District have been affected by unemployment and the economic environment experienced throughout the state and nation. Housing development remains slow due to the Highlands Act. We anticipate enrollments to continue to decline over the next five years.

3. MAJOR INITIATIVES: The district continues to rank highly on standardized tests, with students scoring well above state and national averages on the SAT, ACT, AP, and IB examinations. Approximately 96% of our students continue their education at two or four year colleges. For the 19-20 school year, students took 1077 AP tests with 895 students (83%) earning a three (3) or higher. The WMRHSD class of 2020 included 104 AP Scholars, with 98 students earning an International Baccalaureate Diploma and 105 students earning the International Baccalaureate Career Programme certificate. The IB Career Program continues to grow, with pathways in Business, Life and Health Sciences, STEM, Political Science and Law, and Visual and Performing Arts.

The district continues to develop its personalized learning initiative in which all students receive Chromebooks. The district continues to support ongoing professional development for administrators and teachers that supports technology integration in the classroom.

The district also continues to address student wellness with dedicated counselors in this area, additional practices integrated into school life, and the highly successful Unified Sports program at both schools, with each designated as a Special Olympics Nationally Recognized Unified Champion School.

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 a recipient of federal awards and state awards, 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's 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 major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

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 the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found in Exhibit J-20.

9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia, LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and 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 auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the West Morris Regional High School Board 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,



Michael Ben-David  
Superintendent



L. Douglas Pechanec  
Business Administrator/Board Secretary



**WEST MORRIS REGIONAL HIGH SCHOOL  
BOARD of EDUCATION**  
10 South Four Bridges Road, Chester, New Jersey



**SUPERINTENDENT**

EXECUTIVE/CONFIDENTIAL  
SECRETARY & Support Staff

**DIR. SPECIAL EDUCATION**    **PRINCIPALS**    **ASSISTANT SUPERINTENDENT**    **BUSINESS ADMINISTRATOR**    **BOARD SECRETARY**

Admin. Asst.

Admin. Asst.

Admin. Asst.

EXECUTIVE ASSISTANT &  
ASST. BOARD SECRETARY

**ASSISTANT PRINCIPALS**

CHILD STUDY TEAM  
NURSING STAFF

DIRECTORS of  
SCHOOL COUNSELING  
NON SLIPRY COORD  
of ATHLS & STUDENT  
ACTIVITIES

SRO & SAFETY  
/SECURITY  
MONITORS

TEACHER ASSISTANTS  
SUBSTITUTES  
COACH/CO-CURR

INSTRUCTIONAL &  
GUIDANCE STAFF

**DISTRICT TECHNOLOGY  
COORDINATOR**

Admin. Asst.

TECHNICAL  
STAFF

**DISTRICT  
FACILITY  
MANAGER**

FACILITIES  
PERSONNEL

**BUSINESS  
OFFICE**

STAFF ACCTG  
PAYROLL  
ACCTS PAYABLE

**TRANSPORTATION  
SUPERVISOR**

BUS/VAN  
DRIVERS

**FOOD SERVICE**

MANAGERS  
& STAFF



# WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

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Phone: (908) 879-6404 www.wmrhsd.org



MICHAEL BEN-DAVID J.D./M.Ed.  
SUPERINTENDENT OF SCHOOLS

ED BRAUN  
ASSISTANT SUPERINTENDENT OF SCHOOLS

L. DOUGLAS PECHANEC  
BUSINESS ADMINISTRATOR/BOARD SECRETARY

MICHAEL REINKNECHT  
DIRECTOR OF SPECIAL EDUCATION

## ROSTER OF OFFICIALS AS OF JUNE 30, 2020

### MEMBERS OF THE BOARD OF EDUCATION

### TERM EXPIRES

Robert Strobel	President	December	2020
Lisa Woodring	Vice President	December	2022
Thomas Brooks	Member	December	2022
Joseph Galayda	Member	December	2021
David Kennedy	Member	December	2021
Marina Kontos	Member	December	2020
Gary Lakritz	Member	December	2022
James Schulok	Member	December	2020
Don Storms	Member	December	2021

### OTHER OFFICIALS

Michael Ben-David, Superintendent

L. Douglas Pechanec, Business Administrator/Board Secretary

Jon Rheinhardt, Treasurer

Matthew Giacobbe, Esq., Board Attorney

Lance Kalac, Esq., Conflict Resolution Attorney

David J. Ruitenber, Esq., Construction Attorney



# WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

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SUPERINTENDENT OF SCHOOLS

ED BRAUN  
ASSISTANT SUPERINTENDENT OF SCHOOLS

L. DOUGLAS PECHANEC  
BUSINESS ADMINISTRATOR/BOARD SECRETARY

MICHAEL REINKNECHT  
DIRECTOR OF SPECIAL EDUCATION

## CONSULTANTS AND ADVISORS

### Auditor

Nisivoccia & Company L.L.P.  
Mt. Arlington Corporate Park  
200 Valley Road, Suite 300  
Mt. Arlington, New Jersey 07856

### Financial Advisors

Phoenix Advisors, LLC  
4 West Park Street  
Bordentown, New Jersey 08505

### Architect

Di Cara/Rubino Architects  
30 Galesi Drive  
West Wing  
Wayne, New Jersey 07470

### Insurance Consultant

Conner, Strong & Buckelew  
9 Campus Drive  
Suite 216  
Parsippany, New Jersey 07054

### Attorney

Cleary | Giacobbe | Alfieri | Jacobs  
169 Ramapo Valley Road  
Upper Level 105  
Oakland, New Jersey 07436

### Official Depository

TD Bank  
56 Flanders-Bartley Road  
Flanders, New Jersey 07836

### Construction Attorney

Murphy, McKeon P.C.  
Riverdale South  
51 Route 23 South  
Riverdale, NJ 07457

### Bond Counsel

McManimon & Scotland  
One Gateway Center  
Newark, New Jersey 07102-5311

### Conflict Attorney

Riker, Danzig, Scherer, Hyland & Perretti  
Headquarters Plaza  
One Speedwell Avenue  
Morristown, New Jersey 07962-1981

Wilentz, Goldman & Spitzer  
90 Woodbridge Center Drive  
Suite 900, Box 10  
Woodbridge, New Jersey 07095-0958

FINANCIAL SECTION



## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
West Morris Regional High School District  
County of Morris, 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 Board of Education of the West Morris Regional High School District (the "District") in the County of Morris, 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 Board of Education of the West Morris Regional High School District, in the County of Morris, 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 postemployment 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* ("Uniform Guidance"); 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 November 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.

November 16, 2020  
Mt. Arlington, New Jersey

*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



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

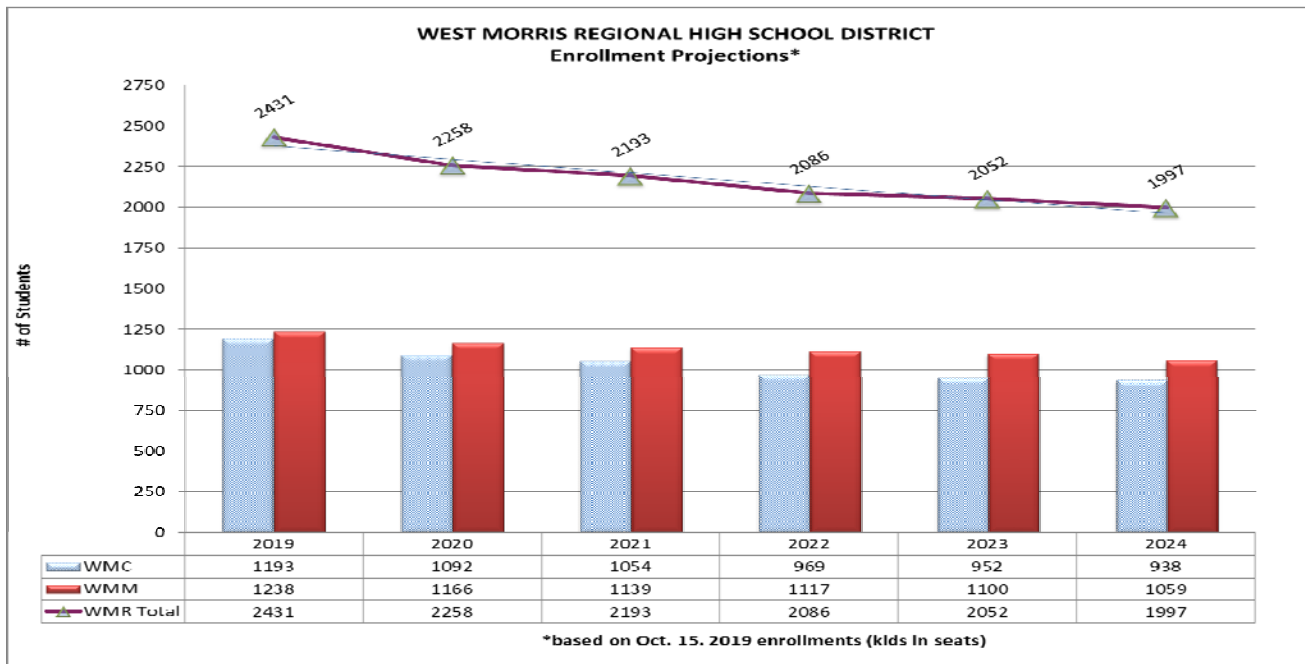
### **Management's Discussion and Analysis:**

The discussion and analysis of West Morris Regional High School District's financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to review the district's financial performance in aggregate; readers should also review the basic financial statements and notes to enhance their understanding of the district's financial performance.

### **Municipalities Comprising the Regional District:**

The West Morris Regional High School District (WMR) provides a full range of educational, co-curricular and athletic services for grades 9 through 12 to the students of Chester Borough, Chester Township, Mendham Borough, Mendham Township and Washington Township in Morris County, New Jersey. The district has an excellent academic reputation with two highly regarded high schools, West Morris Central (WMC) and West Morris Mendham (WMM).

The chart below reflects each school's enrollment as of October 15, 2019 and a five-year projection.



### **District's Mission**

The educational, social and recreational programs are guided by the district's mission statement:

***The West Morris Regional High School community will provide each student with an intellectually stimulating experience in a safe environment. This experience will promote a shared passion for learning, academic excellence, involved citizenship, personal responsibility and respect for diversity; fostering the development of creative, confident, compassionate and resilient individuals who will contribute to their future communities.***

Our mission statement is the starting point for staff to integrate innovations into the district's curriculum while providing dynamic experiences in the classrooms that empower its students to learn and succeed. The district's students continue to achieve above state and national averages due to these efforts.



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **Summary of Financial Performance:**

The district's budget is prepared four months prior to the start of the fiscal year in accordance with New Jersey State statutes. This time delay results in periodic adjustments to the original appropriations of the annual operating budget throughout the fiscal year. The district practice is to minimize transfers between major accounts. However, due to pandemic security and facilities related improvements, more adjustments occurred this fiscal year than normal.

The following chart provides a summary of revenues initially anticipated for the 2019-2020 fiscal year budget and the change from the prior year.

<b>REVENUE SOURCES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>\$ INC/(DEC)</b>
<b>Tax Revenue</b>	\$44,490,949	\$45,269,541	\$778,592
<b>Debt Service (Bonds)</b>	\$2,269,475	\$2,270,250	\$775
<b>TAX LEVY TOTALS:</b>	<b>\$46,760,424</b>	<b>\$47,539,791</b>	<b>\$779,367</b>
	<b>% of overall tax increase:</b>		<b>1.67%</b>
<b>OTHER REVENUES</b>			
<b>State Aid Revenue</b>	\$4,608,689	\$4,279,148	-\$329,541
<b>Fund Balance</b>	\$2,267,064	\$2,451,176	\$184,112
<b>Misc. Revenues</b>	\$1,172,185	\$1,279,685	\$107,500
<b>Special Revenue-Fed/IDEA Funds</b>	\$581,546	\$644,457	\$62,911
<b>Capital Reserve allocation</b>	\$2,141,800	\$1,758,290	-\$383,510
<b>OTHER REVENUES TOTALS:</b>	<b>\$10,771,284</b>	<b>\$10,412,756</b>	<b>-\$358,528</b>
<b>TOTAL REVENUES</b>	<b>\$57,531,708</b>	<b>\$57,952,547</b>	<b>\$420,839</b>
	<b>% of revenue increase:</b>		<b>0.73%</b>

The state mandated tax levy cap of 2%, plus waivers if any, is the maximum that all NJ Public Schools must adhere to as the budget is developed. State law also allows Boards of Education (BOE) to opt out of the election process if the budget is at or below the established cap. West Morris Regional BOE did vote to opt out, choosing to remain within the established tax levy cap. The tax increase over last school year was 1.75% resulting in a 1.67% calendar year reflecting the BOE's initiative to maintain quality educational programs and infrastructure. State aid revenue for 2019-2020 decreased \$329,541 or (7.15%) over 2018-19 level. The state aid revenue does not include FICA reimbursements or extraordinary aid received from the state.

Staffing costs represent 70.0% of the annual budget. The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market. Four of four bargaining unit contracts are currently in force.

All financial obligations were met for the fiscal year. In addition, the district's budget practices and conservative spending generated an excess surplus of \$1,745,285 to be utilized in fiscal year 2020-2021.

Finally, the West Morris Regional High School District is committed to financial excellence. The district's financial planning, budgeting and internal controls provide structural integrity to its financial system. The school district intends to continue its practice of sound fiscal management and continue to meet its financial responsibilities.



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **Explanation of the Comprehensive Annual Financial Report (C.A.F.R.):**

The Comprehensive Annual Financial Report presents the district's financial position as of June 30, 2020 and it is the annual financial report of the district. This report consists of three parts: Management Discussion and Analysis (this section); Basic Financial Statements; Notes to the financial statements and Required Supplementary Information.

### **Basic Financial Statements:**

The Basic Financial Statements present the district's financial activity from two different points of view: District-Wide and Fund Based.

**District-Wide:** The first two statements in this Report, Statement of Net Position and Statement of Changes in Net Position, are district-wide financial statements that provide both short-term and long-term information about the district's overall financial position. These statements consider the financial activities for the entire operating entity (as if specific-purpose funds did not exist) and quantify whether the district's overall financial position has improved or diminished during the fiscal year. In these statements, assets, deferred outflows and inflows of resources and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid. Additionally, in the Statement of Net Position and Statement of Changes in Net Position, the district's financial activity is divided into two kinds of activities, Governmental and Business Type.

**Fund Based:** The remaining statements are fund financial statements that focus on specific purposes of the district and report the operations of these purposes in more detail than the district-wide statements.

The district's Governmental Funds provide a short-term view of the district's general operations for regular and special education, transportation and administration. These Governmental Funds include the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund. Assets and liabilities are reported using a modified-accrual accounting basis, in which cash and all other financial assets are recorded when they can be readily converted to cash. Revenues are recorded when cash is received or is expected to be received soon after year-end. Expenditures are recorded when goods (or services) have been received and the related liability is due and payable.

The Proprietary Fund contains services that are provided on a charge-for-service basis, such as the district's food service program. Assets and liabilities are reported using the accrual basis of accounting; revenues are recorded when earned and expenses when incurred, regardless of when cash is received or paid.

The Fiduciary Fund contains monies that the district does not own, but is holding in trust or as an agent for another agency, such as student scholarships. Assets and liabilities are reported using the accrual basis of accounting; additions are recorded when earned and deductions when incurred, regardless of when cash is received or paid.

The Notes to the Financial Basic Statements explain some of the information in the statements and provide more detailed data than noted in the Basic Financial Statements.

Finally, the section of Required Supplementary Information explains and supports the financial statements with a comparison of district data over multiple years.



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **District-Wide Viewpoint:**

**Statement of Net Position** During 2019-2020 the district's net position increased. Total Net Position for Governmental Activities increased \$2,515,532, Net Position from Business Activities increased by \$5,776 for a total increase in Net Position of \$2,521,308 which represents a 6.82% increase from the prior year.

	Governmental Activities		Business Activities		TOTAL		%
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	
<b>ASSETS:</b>							
Current & Other Assets	\$10,786,327	\$12,494,384	\$97,886	\$103,385	\$10,884,213	\$12,597,769	
Capital Assets, Net	53,413,556	\$53,706,307	\$16,147	\$19,648	\$53,429,703	\$53,725,955	
<b>TOTAL ASSETS</b>	<b>\$64,199,883</b>	<b>\$66,200,691</b>	<b>\$114,033</b>	<b>\$123,033</b>	<b>\$64,313,916</b>	<b>\$66,323,724</b>	<b>-3.03%</b>
Deferred Outflows of Resources	\$2,938,227	\$4,152,315	-	-	\$2,938,227	\$4,152,315	-29.24%
<b>LIABILITIES:</b>							
Other Liabilities	\$1,157,273	\$3,170,293	\$32,400	\$47,176	\$1,189,673	\$3,217,469	
Long Term Liabilities	\$23,063,554	\$26,619,281	\$5,000	\$5,000	\$23,068,554	\$26,624,281	
<b>TOTAL LIABILITIES</b>	<b>\$24,220,827</b>	<b>\$29,789,574</b>	<b>\$37,400</b>	<b>\$52,176</b>	<b>\$24,258,227</b>	<b>\$29,841,750</b>	<b>-18.71%</b>
Deferred Inflows of Resources	\$3,515,124	\$3,676,805	\$0	\$0	\$3,515,124	\$3,676,805	-4.40%
<b>NET POSITION:</b>							
Investment in							
Capital Assets	\$42,372,781	\$40,490,868	\$0	\$0	\$42,388,928	\$40,510,516	
Restricted	\$8,249,051	\$7,109,764	\$16,147	\$19,648	\$8,249,051	\$7,109,764	
Unrestricted (Deficit)	<u>(11,219,673)</u>	<u>(10,714,005)</u>	<u>60,486</u>	<u>51,209</u>	<u>(11,159,187)</u>	<u>(10,662,796)</u>	
<b>TOTAL NET POSITION</b>	<b>\$39,402,159</b>	<b>\$36,886,627</b>	<b>\$76,633</b>	<b>\$70,857</b>	<b>\$39,478,792</b>	<b>\$36,957,484</b>	<b>6.82%</b>

**Net Investment in Capital Assets** increased \$1,878,412 as a result of \$2,338,298 in asset additions, a \$1,805,000 reduction in bonded debt and a \$1,090,239 reduction in capital leases, offset by a decrease in deferred amount on refunding of \$(153,713), \$(2,634,550) in depreciation expense and \$(566,862) of new capital leases.

**Restricted Net Position** increased \$1,139,287 as a result of an increase in excess surplus of \$256,857, interest on the capital and maintenance reserve accounts of \$6,677 and \$5,410, respectively, Board approved \$2,500,000 increase and \$148,167 unexpended balance returned to the capital reserve account, offset by budgeted and Board approved withdrawals from the capital reserve account of \$(1,758,290) and \$(19,534), respectively, for capital projects and capital lease payments.

**Unrestricted Net Position** decreased \$(496,391) primarily due to a budgeted withdrawal from capital reserve, changes in deferred outflows and inflows related to pensions and the change in the District's net pension liability.



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **Statement of Changes in Net Position from Operating Results:**

The overall impact of school operations resulted in a increase of \$613,666 over the 2018-2019 results. Revenues increased in total by 0.50% or \$332,385 primarily due to reduced operational grants. Expenses decreased by (0.43%) or (\$281,281). The revenue increase is primarily attributable to an increase in property taxes and in capital grants and contributions. The decrease in expenses is due primarily to decreases in Instruction and Maintenance & Operations spending.

Changes in Net Position from Operating Results	Governmental Activities		Business Activities		TOTAL		VARIANCE	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	\$'s	%
<b>REVENUES:</b>								
Program Revenues								
Charges for Service	\$ 263,876	\$ 274,918	\$ 562,249	\$683,675	\$ 826,125	\$ 958,593	(\$132,468)	
Operating Grants & Contrib.	\$ 16,744,613	\$ 16,962,186			\$ 16,744,613	\$ 16,962,186	(\$217,573)	
Capital Grants & Contrib.	\$ 44,812	\$ 23,120			\$ 44,812	\$ 23,120	\$21,692	
General Revenues								
Property Taxes	\$ 47,539,791	\$ 46,760,423			\$ 47,539,791	\$ 46,760,423	\$779,368	
Federal & State Aid (unrestricted)	\$ 856,184	\$ 895,450			\$ 856,184	\$ 895,450	(\$39,266)	
Other	\$ 1,005,027	\$ 1,084,340	\$ 247	\$ 302	\$ 1,005,274	\$ 1,084,642	(\$79,368)	
<b>TOTAL REVENUES:</b>	<b>\$66,454,303</b>	<b>\$66,000,437</b>	<b>\$562,496</b>	<b>\$683,977</b>	<b>\$67,016,799</b>	<b>\$66,684,414</b>	<b>\$332,385</b>	<b>0.50%</b>
<b>EXPENSES:</b>								
Instruction	\$ 34,266,184	\$ 35,515,096			\$ 34,266,184	\$ 35,515,096	(\$1,248,912)	
Pupil & Instruction Services	\$ 13,161,855	\$ 12,426,356			\$ 13,161,855	\$ 12,426,356	\$735,499	
Admin/Business/Technology	\$ 5,361,046	\$ 5,266,392			\$ 5,361,046	\$ 5,266,392	\$94,654	
Maintenance & Operations	\$ 4,120,195	\$ 4,336,243			\$ 4,120,195	\$ 4,336,243	(\$216,048)	
Transportation	\$ 4,364,495	\$ 3,918,831			\$ 4,364,495	\$ 3,918,831	\$445,664	
Other Expenses	\$ 2,680,261	\$ 2,688,432	\$ 541,455	\$625,422	\$ 3,221,716	\$ 3,313,854	(\$92,138)	
<b>TOTAL EXPENSES</b>	<b>\$ 63,954,036</b>	<b>\$ 64,151,350</b>	<b>\$ 541,455</b>	<b>\$625,422</b>	<b>\$ 64,495,491</b>	<b>\$ 64,776,772</b>	<b>(\$281,281)</b>	<b>-0.43%</b>
Other Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0	
Transfers	\$ 15,265	\$ 28,721	\$ (15,265)	\$ (28,721)	\$ -	\$ -	\$0	0.00%
<b>CHANGE IN NET POSITION</b>	<b>\$ 2,515,532</b>	<b>\$ 1,877,808</b>	<b>\$ 5,776</b>	<b>\$ 29,834</b>	<b>\$ 2,521,308</b>	<b>\$ 1,907,642</b>	<b>\$613,666</b>	<b>32.17%</b>

As seen above in the Statement of Changes in Net Position, the majority of activity is generated by the Governmental Activities. These activities constitute 99.16% of the total revenues and 99.16% of expenses shown on this statement.

### **Net Cost of Government Activities:**

Cost Category	2019-2020 Total Cost of Services	2018-2019 Total Cost of Services	2019-2020 Net Cost of Services	2018-2019 Net Cost of Services
<b>Governmental Activities:</b>				
Instruction	\$ 34,266,184	\$ 35,515,096	\$ 22,356,993	\$ 23,476,852
Pupil & Instruction Services	\$ 13,161,855	\$ 12,426,356	\$ 10,251,626	\$ 9,485,753
Admin/Business/Technology	\$ 5,361,046	\$ 5,266,392	\$ 4,537,416	\$ 4,430,925
Maintenance & Operations	\$ 4,120,195	\$ 4,336,243	\$ 4,120,195	\$ 4,336,243
Transportation	\$ 4,364,495	\$ 3,918,831	\$ 2,954,244	\$ 2,472,921
Other	\$ 2,680,261	\$ 2,688,432	\$ 2,680,261	\$ 2,688,432
<b>TOTAL</b>	<b>\$ 63,954,036</b>	<b>\$ 64,151,350</b>	<b>\$ 46,900,735</b>	<b>\$ 46,891,126</b>





## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **Capital Assets (Net of Depreciation):**

At the end of fiscal year 2020, the district had a total of \$53,429,703 invested in land, building, furniture, equipment and vehicles, net of depreciation. The table below compares this balance to fiscal year 2018-2019. The overall decrease is primarily attributable to capital additions of \$2,338,298 offset by depreciation of \$2,631,049 for governmental activities and \$3,501 for business type activities which resulted in a net decrease of \$296,252 or (.055%).

Capital Assets	Governmental Activities		Business Activities		TOTAL		VARIANCE	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019	\$'s	%
Sites	\$ 130,448	\$ 130,448			\$ 130,448	\$ 130,448	\$0	0.00%
Construction in Progress	\$ 3,991,421	\$ 4,252,614			\$ 3,991,421	\$ 4,252,614	(\$261,193)	-6.14%
Site Improvements	\$ 5,108,355	\$ 3,904,929			\$ 5,108,355	\$ 3,904,929	\$1,203,426	30.82%
Building & Improv.	\$ 42,209,161	\$ 43,748,306			\$ 42,209,161	\$ 43,748,306	(\$1,539,145)	-3.52%
Machinery & Equip.	\$ 1,974,171	\$ 1,670,010	\$ 16,147	\$ 19,648	\$ 1,990,318	\$ 1,689,658	\$300,660	17.8%
<b>TOTAL</b>	<b>\$53,413,556</b>	<b>\$ 53,706,307</b>	<b>\$16,147</b>	<b>\$19,648</b>	<b>\$53,429,703</b>	<b>\$53,725,955</b>	<b>(\$296,252)</b>	<b>-0.55%</b>

### **Outstanding Long-Term Liabilities:**

The table below compares this balance to fiscal year 2019. The district's total outstanding liabilities at the end of fiscal year 2020 totals \$23,068,554, a decrease of (13.36%) from 2019. The general obligation bonds approved by referendum in March of 2004 for the expansion and renovation at both schools of \$26,631,000 were reduced by (\$1,805,000) for scheduled maturities. Bond Premiums decreased by (\$222,215), Capital Lease payments increased by \$556,862 and retired (\$1,090,239) due to additional instructional, transportation and maintenance related equipment and pay down on the Energy Savings Improvement Plan throughout the district. Net Pension Liability decreased by (\$848,235). The GASB 68 impact for net pension liability amounted to a decrease of (8.52%) compared to the 2018-2019 liability.

Outstanding Long Term Debt	2019-2020	2018-2019	VARIANCE	
	Long-Term Debt	Long-Term Debt	\$'s	%
General Obligation Bonds (Financed w/Property Taxes)	\$8,050,000	\$9,855,000	(\$1,805,000)	-18.32%
Unamortized Bond Premiums	\$888,860	\$1,111,075	(\$222,215)	-20.00%
Capital Leases Payable	\$3,605,627	\$4,129,004	(\$523,377)	-12.68%
Net Pension Liability	\$9,105,220	\$9,953,455	(\$848,235)	-8.52%
Other Long-Term Liabilities				
Governmental Activities	\$1,413,847	\$1,570,747	(\$156,900)	-9.99%
Business-Type Activities	\$5,000	\$5,000	\$0	0.00%
<b>TOTAL</b>	<b>\$23,068,554</b>	<b>\$26,624,281</b>	<b>(\$3,555,727)</b>	<b>-13.36%</b>



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

### **Food Service Performance:**

In the Statement of Net Position and Statement of Activities the financial activity for the district's food service program is presented as Business Type Activities. The following points highlight its activities during fiscal year 2019-2020:

The Food Service Program experienced an operating profit this year. The impact of the pandemic greatly reduced the revenues for the year. There was a correlated decrease in expenditures as well leaving a positive net income for the year. The District's revenues decreased significantly (\$121,481) or (17.76%) over fiscal year 2018-2019 and expenses decreased (\$83,967) or (13.43%). Charges for Service constitute 99.96% of its total revenue. These fees were the amounts paid by patrons of the daily food service.

The school district does not participate in the National School Lunch Program. The Food Service Program provides for those students in need. The number of students in the program total 18.

Changes in Net Position from Operating Results	Business Activities		VARIANCE	
	2019-2020	2018-2019	\$'s	%
<b>REVENUES:</b>				
Program Revenues				
Charges for Service	\$ 562,249	\$683,675		
Operating Grants & Contrib.				
Capital Grants & Contrib.				
General Revenues				
Property Taxes				
Federal & State Aid (unrestricted)				
Other	\$247	\$302		
<b>TOTAL REVENUES:</b>	<b>\$562,496</b>	<b>\$683,977</b>	(\$121,481)	-17.76%
<b>EXPENSES:</b>				
Instruction				
Pupil & Instruction Services				
Admin/Business/Technology				
Maintenance & Operations				
Transportation				
Other Expenses	\$ 541,455	\$625,422		
<b>TOTAL EXPENSES</b>	<b>\$541,455</b>	<b>\$625,422</b>	(\$83,967)	-13.43%
Other Resources	\$0			
Transfers	(\$15,265)	(\$28,721)		
<b>CHANGE IN NET POSITION</b>	<b>\$5,776</b>	<b>\$29,834</b>	(\$24,058)	-80.64%

Food Service Management was outsourced in fiscal year 2008-09. However, the district has retained some of its employees who are provided with health benefits. In order to control costs, the Board of Education implemented contributions for health care by all district-employed food service workers at a rate of 30% of premiums beginning in fiscal year 2014-2015. The district is required by law to bid the service every five years and selected Pomptonian in 2008-09 and then Aramark in 2013-14. For 2018-2019 Pomptonian was selected again. A Request for Proposal will be extended to all school food providers within New Jersey at the close of the 2022-2023 fiscal year.

The contractual arrangement with Pomptonian includes a provision that provides that the district does not have a loss due to operations. Should there be an operating loss the agreement with our management company provides a return of the management fee if an operating profit is not achieved.



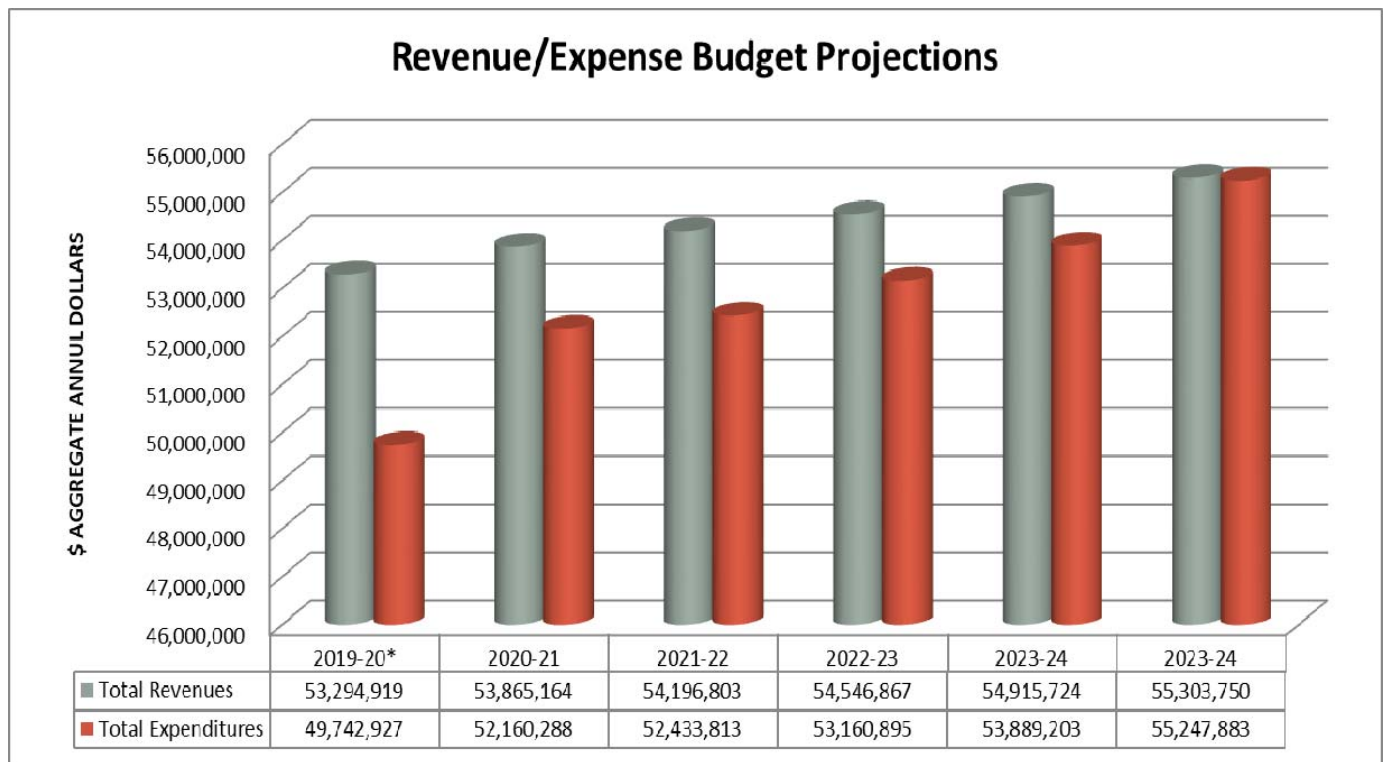
# WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

## **Factors Bearing on District's Future:**

The district continues to excel in academic performance. The financial health of the district continues to remain stable. In looking forward the next five years the management is preparing for a reduction in enrollment and determining the possible cost reductions that may occur due to lower demand. However, we intend to continue investing in classroom technology and the infrastructure that supports academic and co-curricular activities. However, several areas of great concern: rising healthcare costs, the demands for increased spending for special education services and declining state aid.

The chart below provides an estimate of financial operating needs the district will face over the next five years. The starting point for the projection is the 2019-20 actual revenues and expenses e based on General Fund activities only.



### **Assumptions:**

- The BOE will maximize tax levy increase at 2% annually
- state aid revenue will decline \$589.596 annually until 2023-24 based on Chapter 67
- as enrollments decline the student teacher ratio will be maintained leading reduced staffing levels
- annual growth rate for salaries is projected to be between 2-3%
- benefits are projected at 27% of salaries;
- health care costs will increase at a rate of 15% annually

The district participates in collective bargaining with its staff and strives to contain labor costs within the competitive market. All four collective bargaining agreements are currently in force. The district is in negotiations with one of its NJEA affiliated bargaining units. The teacher contract will expire on June 30, 2021. Negotiations will begin in March/April timeframe.



## WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis  
for Fiscal Year End June 30, 2020  
(unaudited)

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### **Conclusion:**

The West Morris Regional High School District completed the fiscal year 2019-2020 in sound financial condition. The school district is proud of its community support of the public schools. However, it is continually concerned with the increased reliance on local property taxes as state-aid continues to decline.

This financial report has been designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district's finances. If you have questions about this report or need additional information, contact:

Mr. L. Douglas Pechanec, Business Administrator/Board Secretary, West Morris Regional Board of Education, 10 South Four Bridges Road, Chester, NJ 07930, (dpechanec@wmrbsd.org).

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BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,675,431	\$ 70,403	\$ 4,745,834
Receivables from Other Governments	1,272,364		1,272,364
Internal Balances	8,315	(8,315)	
Other Receivables	225,657	13,438	239,095
Inventory		22,360	22,360
Restricted Assets - Cash and Cash Equivalents:			
Capital Reserve Account	4,208,254		4,208,254
Maintenance Reserve Account	396,306		396,306
Capital Assets, Net:			
Sites (Land) and Construction in Progress	4,121,869		4,121,869
Depreciable Buildings and Building Improvements, Site Improvements, Machinery & Equipment	49,291,687	16,147	49,307,834
<b>Total Assets</b>	<b>64,199,883</b>	<b>114,033</b>	<b>64,313,916</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	614,852		614,852
Deferred Outflows of Resources Related to Pensions	2,323,375		2,323,375
<b>Total Deferred Outflows of Resources</b>	<b>2,938,227</b>		<b>2,938,227</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	536,400	100	536,500
Accrued Interest Expense	64,029		64,029
Payable to State Government	8,691		8,691
Payable to Federal Government	33,789		33,789
Unearned Revenue	514,364	32,300	546,664
Noncurrent Liabilities:			
Due Within One Year	2,776,427		2,776,427
Due Beyond One Year	20,287,127	5,000	20,292,127
<b>Total Liabilities</b>	<b>24,220,827</b>	<b>37,400</b>	<b>24,258,227</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows of Resources Related to Pensions	3,515,124		3,515,124
<b>Total Deferred Inflows of Resources</b>	<b>3,515,124</b>		<b>3,515,124</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	42,372,781	16,147	42,388,928
Restricted for:			
Capital Projects	4,208,254		4,208,254
Maintenance	396,306		396,306
Excess Surplus	3,644,491		3,644,491
Unrestricted (Deficit)	(11,219,673)	60,486	(11,159,187)
<b>Total Net Position</b>	<b>\$ 39,402,159</b>	<b>\$ 76,633</b>	<b>\$ 39,478,792</b>

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues			Net (Expenses)/Revenues 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	\$ 25,355,368	\$ 263,876	\$ 6,830,833		\$ (18,524,535)		\$ (18,524,535)
Special Education	5,056,548		4,129,226		(927,322)		(927,322)
Other Instruction	3,854,268		949,132		(2,905,136)		(2,905,136)
Support Services:							
Tuition	4,825,985	\$ 263,876	570,276		(3,991,833)		(3,991,833)
Student & Instruction Related Services	8,335,870		2,031,265	\$ 44,812	(6,259,793)		(6,259,793)
General Administration Services	1,075,116				(1,075,116)		(1,075,116)
School Administration Services	3,010,431		823,630		(2,186,801)		(2,186,801)
Central Services	620,695				(620,695)		(620,695)
Administrative Information Technology	654,804				(654,804)		(654,804)
Plant Operations and Maintenance	4,120,195				(4,120,195)		(4,120,195)
Pupil Transportation	4,364,495		1,410,251		(2,954,244)		(2,954,244)
Interest on Long-Term Debt	383,235				(383,235)		(383,235)
Unallocated Depreciation	2,297,026				(2,297,026)		(2,297,026)
Total Governmental Activities	63,954,036	263,876	16,744,613	44,812	(46,900,735)		(46,900,735)



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Program Revenues			Net (Expenses)/Revenues 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	\$ 541,455	\$ 562,249			\$ 20,794	\$ 20,794	\$ 20,794
Total Business-Type Activities	541,455	562,249			20,794	20,794	20,794
Total Primary Government	\$ 64,495,491	\$ 826,125	\$ 16,744,613	\$ 44,812	\$ (46,900,735)	20,794	(46,879,941)
General Revenues and Transfers:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					45,269,541		45,269,541
Taxes Levied for Debt Service					2,270,250		2,270,250
Federal and State Aid Not Restricted					856,184		856,184
Investment Earnings					118,170	247	118,417
Other Miscellaneous Income					886,857		886,857
Transfers					15,265	(15,265)	
Total General Revenues and Transfers					49,416,267	(15,018)	49,401,249
Change in Net Position					2,515,532	5,776	2,521,308
Net Position - Beginning					36,886,627	70,857	36,957,484
Net Position - Ending					\$ 39,402,159	\$ 76,633	\$ 39,478,792

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

FUND FINANCIAL STATEMENTS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,543,090	\$ 96,451	\$ 35,890	\$ 4,675,431
Receivables from Federal Government		41,541		41,541
Receivables from State Government	630,454	2,602		633,056
Tax Levy Receivable	597,767			597,767
Other Receivables	225,657			225,657
Interfund Receivable	8,315		108,363	116,678
Restricted Cash and Cash Equivalents	4,604,560			4,604,560
<b>Total Assets</b>	<b>\$ 10,609,843</b>	<b>\$ 140,594</b>	<b>\$ 144,253</b>	<b>\$ 10,894,690</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 23,474		\$ 8,000	\$ 31,474
Payable to State Government		\$ 8,691		8,691
Payable to Federal Government		33,789		33,789
Interfund Payable	108,363			108,363
Unearned Revenue	416,250	98,114		514,364
<b>Total Liabilities</b>	<b>548,087</b>	<b>140,594</b>	<b>8,000</b>	<b>696,681</b>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Capital Reserve Account	4,208,254			4,208,254
Maintenance Reserve Account	396,306			396,306
Excess Surplus	1,899,206			1,899,206
Excess Surplus - For Subsequent Year's Expenditures	1,745,285			1,745,285
Committed			136,253	136,253
<b>Assigned:</b>				
Year-End Encumbrances	135,663			135,663
For Subsequent Year's Expenditures	437,715			437,715
Unassigned	1,239,327			1,239,327
<b>Total Fund Balances</b>	<b>10,061,756</b>		<b>136,253</b>	<b>10,198,009</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,609,843</b>	<b>\$ 140,594</b>	<b>\$ 144,253</b>	<b>\$ 10,894,690</b>

Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances - Governmental Funds (Above)	\$ 10,198,009
Capital Assets used in Governmental Activities are not financial resources and are not reported in the Funds	53,413,556
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, Excluding District Contribution Subsequent to the Measurement Date	1,818,449
Deferred Inflows of Resources Related to Pensions	(3,515,124)
Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the expenditure. The Deferred Amount on Refunding is \$1,998,274 and the accumulated amortization is \$1,383,422.	614,852
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(64,029)
Long-Term Liabilities, including Bonds and Net Pension Liability Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(23,063,554)
<b>Net Position of Governmental Activities (Exhibit A-1)</b>	<b>\$ 39,402,159</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 45,269,541			\$ 2,270,250	\$ 47,539,791
Tuition Revenue	263,876				263,876
Miscellaneous	1,004,070	\$ 46,947	\$ 957		1,051,974
Total - Local Sources	46,537,487	46,947	957	2,270,250	48,855,641
State Sources	12,092,581	84,661			12,177,242
Federal Sources	47,662	588,969			636,631
Total Revenue	58,677,730	720,577	957	2,270,250	61,669,514
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	14,924,885	54,292			14,979,177
Special Education Instruction	2,902,898	47,637			2,950,535
Other Instruction	2,421,648				2,421,648
Support Services and Undistributed Costs:					
Tuition	4,267,259	558,726			4,825,985
Student & Instruction Related Services	5,227,268	53,144			5,280,412
General Administration Services	975,467				975,467
School Administration Services	1,763,419				1,763,419
Central Services	507,939				507,939
Administrative Information Technology	391,880				391,880
Plant Operations and Maintenance	3,816,875				3,816,875
Pupil Transportation	4,256,053				4,256,053
Unallocated Benefits	13,931,559				13,931,559

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>EXPENDITURES (Cont'd):</b>					
Debt Service:					
Principal				\$ 1,805,000	\$ 1,805,000
Interest and Other Charges				465,250	465,250
Capital Outlay	\$ 2,038,718	\$ 6,778	\$ 1,381,027		3,426,523
Total Expenditures	57,425,868	720,577	1,381,027	2,270,250	61,797,722
Excess/(Deficit) of Revenue Over/(Under) Expenditures	1,251,862	- 0 -	(1,380,070)	- 0 -	(128,208)
<b>OTHER FINANCING SOURCES/(USES):</b>					
Capital Leases (Non-Budgeted)	566,862				566,862
Capital Lease Proceeds Returned	164,389		(149,079)		(149,079)
Transfers In	(1,479,119)		1,479,119		1,643,508
Transfers Out	(747,868)		(149,124)		(1,628,243)
Total Other Financing Sources/(Uses)	503,994	- 0 -	1,180,916	- 0 -	433,048
Net Change in Fund Balances	9,557,762	- 0 -	335,407	- 0 -	9,893,169
Fund Balance—July 1	10,061,756	- 0 -	136,253	- 0 -	10,198,009
Fund Balance—June 30					

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	\$ 304,840
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	\$ (2,631,049)
Capital Outlays	2,338,298
	(292,751)
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.	(566,862)
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.	1,090,239
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	848,235
Change in Deferred Outflows of Resources Related to Pensions	(1,073,765)
Change in Deferred Inflows of Resources Related to Pensions	161,681
In the Statement of Activities, certain operating expenses, e.g., compensated absences (sick and vacation) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+).	156,900
Repayment of serial bonds 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.	1,805,000
In the Statement of Activities, interest on long-term debt is accrued, regardless of when it is due. In the Governmental Funds, interest is reported when it is due. The accrued interest is an addition in the reconciliation. (+)	13,513
The Governmental Funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities (+)	222,215
The Governmental Funds report the effect of the deferred amount on refunding when debt is first issued, whereas this amount is deferred and amortized in the Statement of Activities (-)	(153,713)
Change in Net Position of Governmental Activities (Exhibit A-2)	\$ 2,515,532

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020

	Business-type Activities - Enterprise Funds
	Food Service
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 70,403
Inventories	22,360
Other Accounts Receivable	13,438
	106,201
Total Current Assets	
Non-Current Assets:	
Capital Assets	152,944
Less: Accumulated Depreciation	(136,797)
	16,147
Total Non-Current Assets	
Total Assets	122,348
<b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable - Vendors	100
Interfund Payable - General Fund	8,315
Unearned Revenue	32,300
	40,715
Total Current Liabilities	
Non-Current Liabilities:	
Accrued Compensated Absences Payable	5,000
	5,000
Total Liabilities	45,715
<b>NET POSITION:</b>	
Investment in Capital Assets	16,147
Unrestricted	60,486
	76,633
Total Net Position	\$ 76,633

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Business-type Activities - <u>Enterprise Funds</u> Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Non-reimbursable Programs	\$ 559,815
Special Events	2,434
	562,249
Total Operating Revenue	562,249
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	244,277
Salaries, Benefits & Payroll Taxes	210,393
Supplies, Insurance and Other Costs	83,284
Depreciation Expense	3,501
	541,455
Total Operating Expenses	541,455
Operating Income	20,794
Non-Operating Revenue:	
Interest Income	247
	247
Total Non-Operating Revenue	247
Change in Net Position Before Transfers	21,041
Transfer Out - Return of Prior Year Board Contribution	(15,265)
	5,776
Change in Net Position After Transfers	5,776
Net Position - Beginning of Year	70,857
	70,857
Net Position - End of Year	\$ 76,633

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



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Business-type Activities - Enterprise Funds Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 575,306
Payments to Employees	(189,288)
Payments to Suppliers	(378,368)
Net Cash Provided by Operating Activities	<u>7,650</u>
Cash Flows from Non-Capital Financing Activities:	
Transfer Out - Return of Prior Year Board Contribution	(15,265)
Net Cash Provided by/(Used for) Non-Capital Financing Activities	<u>(15,265)</u>
Cash Flows from Investing Activities:	
Interest Income	247
Net Cash Provided by Investing Activities	<u>247</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(7,368)
Cash and Cash Equivalents, July 1	<u>77,771</u>
Cash and Cash Equivalents, June 30	<u>\$ 70,403</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 20,794
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	3,501
Changes in Assets and Liabilities:	
(Increase) in Inventory	(11,094)
(Increase) in Accounts Receivable	(11,880)
Decrease in Interfund Receivable	12,790
(Decrease) in Accounts Payable	(27,833)
Increase in Interfund Payable	8,315
Increase in Unearned Revenue	13,057
Net Cash Provided by Operating Activities	<u>\$ 7,650</u>

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Trust</u>	<u>Flexible Benefits Trust</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 907,968	\$ 135,913	\$ 53,517	\$ 33,489
Total Assets	<u>907,968</u>	<u>135,913</u>	<u>53,517</u>	<u>33,489</u>
<b>LIABILITIES:</b>				
Payroll Deductions and Withholdings	263,594			
Due to Student Groups	323,129			
Laptop Replacement Costs	<u>321,245</u>			
Total Liabilities	<u>907,968</u>			
<b>NET POSITION:</b>				
Held in Trust for:				
Unemployment Claims		135,913		
Scholarships			53,517	
Flexible Benefits Claims				<u>33,489</u>
Total Net Position	<u>\$ - 0 -</u>	<u>\$ 135,913</u>	<u>\$ 53,517</u>	<u>\$ 33,489</u>

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Flexible Benefits Trust
<b>ADDITIONS:</b>			
Contributions:			
Employee	\$ 37,661		\$ 43,000
Donations		\$ 18,000	
Total Contributions	37,661	18,000	43,000
Investment Earnings:			
Interest	278	723	
Net Investment Earnings	278	723	
Total Additions	37,939	18,723	43,000
<b>DEDUCTIONS:</b>			
Unemployment Compensation Claims	30,043		
Scholarships Awarded		24,300	
Flexible Benefits Claims			38,977
Total Deductions	30,043	24,300	38,977
Change in Net Position	7,896	(5,577)	4,023
Net Position - Beginning of the Year	128,017	59,094	29,466
Net Position - End of the Year	\$ 135,913	\$ 53,517	\$ 33,489

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 West Morris Regional High 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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)

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. 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 with 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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)

The District reports the following governmental funds: (Cont'd)

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.

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 expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise (Food Service) Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (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 fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund, Laptop Replacement Agency Fund, Flexible Benefits Trust Fund, Unemployment Compensation Insurance Trust Fund and Private Purpose Scholarship Trust Fund.

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. Non-exchange 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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)

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.

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 apply 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 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 budget during the fiscal year).

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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)

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 58,674,518	\$ 688,134
Difference - Budget 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.		32,443
State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes (Prior Year)	409,635	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	<u>(406,423)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 58,677,730</u>	<u>\$ 720,577</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 57,425,868	\$ 688,134
Differences - Budget 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.		<u>32,443</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 57,425,868</u>	<u>\$ 720,577</u>



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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, change funds, amount in deposits, and short-term investments with maturities of one year or less.

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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 and/or assigned fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

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 and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditure during the fiscal 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 fund represent payments made to vendors for services that will benefit periods beyond June 30, 2020.

K. Capital Assets:

During the fiscal 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 are valued at acquisition value. 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:

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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	50 years
Building and Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 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. In the fund financial statements, 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 and sick leave in accordance with the District's personnel policy or employee agreements. Upon termination, an employee is reimbursed for accumulated unused sick and personal time based upon the employee's age and years of service. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service.

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 in more than one year.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(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 \$10,061,756 General Fund balance at June 30, 2020, \$135,663 is assigned for encumbrances; \$4,208,254 is restricted in the capital reserve account; \$396,306 is restricted in the maintenance reserve account; \$437,715 is assigned and included as anticipated revenue for the fiscal year ending June 30, 2021; \$3,644,491 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended (\$1,745,285 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2021 and the remaining \$1,899,206 is current fiscal year excess surplus and will be included as anticipated revenue for the fiscal year ending June 30, 2022); and \$1,239,327 is unassigned which is \$406,423 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the June state aid payments which are not recognized until the fiscal year ended June 30, 2021.

Capital Projects Fund: The Capital Projects Fund balance at June 30, 2020 of \$136,253 is committed for capital projects which are financed with capital reserve funds.

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 fiscal year's budget. The District had excess surplus at June 30, 2020 as outlined above.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$406,423 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event one or more state school aid payments are not made until the following school budget year, districts must record the 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Q. 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 of \$2,938,227 for the deferred amount on refunding of debt related to the District's 2011 refunding bonds and the deferred outflows of resources related to pensions.

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 deferred inflows of resources at June 30, 2020 of \$3,515,124 for the deferred inflows of resources related to 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.

R. Deficit Net Position:

The District has a \$11,219,673 deficit in unrestricted net position in governmental activities as of June 30, 2020 primarily due to the non-recognition of the June state aid payments as explained in Note 1P on the previous page, unamortized bond premiums, the accrual of compensated absences and interest payable, deferred inflows of resources related to pensions and net pension liability, offset by deferred outflows of resources related to pensions, excluding District contribution subsequent to the measurement date, and Governmental Funds unassigned, committed and assigned fund balances. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

S. 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 a capital reserve, a maintenance reserve and excess surplus as defined by State law.

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 \$136,253 of 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 of \$135,663 for year-end encumbrances and \$437,715 for amounts designated for the subsequent fiscal year's expenditures in the General Fund at June 30, 2020.

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 fiscal 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

T. Revenue - Exchange and Nonexchange Transactions: (Cont'd)

On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

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 government 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, 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 District 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Interest Rate Risk - In accordance with its cash management plan, the District 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 District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

Custodial Credit Risk – The District’s policy with respect to custodial credit risk requires that the District 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 require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository 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 Board 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;



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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)

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

- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (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;
- (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;

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

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

Investments: (Cont'd)

New Jersey statutes permit the Board to purchase the following types of securities: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions: (Cont'd)
  - (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.

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

	Cash and Cash Equivalents			Total
	Unrestricted	Restricted		
		Capital Reserve Account	Maintenance Reserve Account	
Checking/Savings Accounts	\$ 3,695,899	\$ 4,202,722	\$ 396,306	\$ 8,294,927
New Jersey Cash Management Fund	2,180,822	5,532		2,186,354
	\$ 5,876,721	\$ 4,208,254	\$ 396,306	\$10,481,281

During the period ended June 30, 2020, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2020 was \$10,481,281 and the bank balance was \$12,141,703. The \$2,186,354 with New Jersey Cash Management Fund is uninsured and unregistered.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the West Morris Regional High School District by inclusion of \$300,000 on June 30, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the 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 fiscal 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	\$ 3,331,234
Interest Earnings	6,677
Unexpended Funds Returned (Prior Year Projects)	148,167
Board Approved Increase - Resolution Dated June 22, 2020	2,500,000
Budgeted Withdrawal	(1,758,290)
Withdrawal by Board Resolution	<u>(19,534)</u>
Ending Balance, June 30, 2020	<u>\$ 4,208,254</u>

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. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$500,000 was established by Board resolution on June 27, 2011. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
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NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2019	\$ 390,896
Interest Earnings	<u>5,410</u>
Ending Balance, June 30, 2020	<u>\$ 396,306</u>

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2020, the District transferred \$242,605 to the capital outlay accounts for equipment which did not require County Superintendent approval and \$298,705 to the capital outlay accounts for facilities acquisition and construction services which required County Superintendent approval.

NOTE 7. OPERATING LEASES

The District did not have any operating leases as of June 30, 2020.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 8. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 130,448			\$ 130,448
Construction in Progress	4,252,614	\$ 46,807	\$ (308,000)	3,991,421
Total Capital Assets Not Being Depreciated	<u>4,383,062</u>	<u>46,807</u>	<u>(308,000)</u>	<u>4,121,869</u>
Capital Assets Being Depreciated:				
Site Improvements	5,884,162	1,205,220	308,000	7,397,382
Buildings and Building Improvements	76,068,183	424,708		76,492,891
Machinery and Equipment	5,478,455	661,563	(61,500)	6,078,518
Total Capital Assets Being Depreciated	<u>87,430,800</u>	<u>2,291,491</u>	<u>246,500</u>	<u>89,968,791</u>
Governmental Activities Capital Assets	<u>91,813,862</u>	<u>2,338,298</u>	<u>(61,500)</u>	<u>94,090,660</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,979,233)	(309,794)		(2,289,027)
Buildings and Building Improvements	(32,319,877)	(1,963,853)		(34,283,730)
Machinery and Equipment	(3,808,445)	(357,402)	61,500	(4,104,347)
	<u>(38,107,555)</u>	<u>(2,631,049)</u>	<u>61,500</u>	<u>(40,677,104)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 53,706,307</u>	<u>\$ (292,751)</u>	<u>\$ -0-</u>	<u>\$ 53,413,556</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 152,944			\$ 152,944
Less Accumulated Depreciation	(133,296)	\$ (3,501)		(136,797)
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 19,648</u>	<u>\$ (3,501)</u>	<u>\$ - 0 -</u>	<u>\$ 16,147</u>

The District had active construction projects totaling \$1,847,138 with unexpended balances of \$136,253 as of June 30, 2020. The District had \$38,190 in outstanding construction commitments at June 30, 2020.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 6,932
Student and Instruction Related Services	9,451
Administrative Information Technology	233,641
Plant Operations and Maintenance	41,650
Transportation	42,349
Unallocated	<u>2,297,026</u>
Total Depreciation - Governmental Activities	<u>\$ 2,631,049</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 9. 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
Serial Bonds Payable	\$ 9,855,000		\$ 1,805,000	\$ 8,050,000
Unamortized Bond Premiums	1,111,075		222,215	888,860
Capital Leases Payable	4,129,004	\$ 566,862	1,090,239	3,605,627
Net Pension Liability	9,953,455		848,235	9,105,220
Compensated Absences Payable:				
Governmental Funds	1,570,747	6,300	163,200	1,413,847
Proprietary Funds	5,000			5,000
	<u>\$ 26,624,281</u>	<u>\$ 573,162</u>	<u>\$ 4,128,889</u>	<u>\$ 23,068,554</u>

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 retired through the Debt Service Fund.

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

Purpose	Final Maturity	Interest Rate	Amount
Refunding School Bonds	05/01/2024	4.00%-5.50%	<u>\$ 8,050,000</u>

The current portion of bonds payable at June 30, 2020 is \$1,885,000 and the long-term portion is \$6,165,000.

Principal and interest due on serial bonds outstanding are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,885,000	\$ 384,175	\$ 2,269,175
2022	1,960,000	308,075	2,268,075
2023	2,055,000	210,275	2,265,275
2024	2,150,000	107,250	2,257,250
	<u>\$ 8,050,000</u>	<u>\$ 1,009,775</u>	<u>\$ 9,059,775</u>

B. Bonds Authorized But Not Issued:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

C. Capital Leases Payable:

In fiscal year 2020, the District entered into a \$311,617 three-year capital lease for classroom technology equipment and a loader and a \$255,245 four-year capital lease for buses and a truck. The District has four capital leases – one for classroom technology equipment, one for classroom technology equipment and a loader, one for an energy savings improvement program (“ESIP”) and one for buses and a truck – totaling \$4,541,540 of which \$935,913 has been liquidated as of June 30, 2020. The classroom technology equipment lease is for three years with the final payment occurring in fiscal year 2021-22. The classroom technology equipment and loader lease is for three years with the final payment occurring in fiscal year 2022-23. The ESIP lease is for fifteen years with the final payment occurring in fiscal year 2033-34. The buses and truck lease is for four years with the final payment occurring in fiscal year 2023-24. 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	\$ 699,862
2022	621,818
2023	428,871
2024	304,959
2025	210,345
Thereafter: 2026-2030	1,135,637
2031-2033	880,158
	<u>4,281,650</u>
Less: Amount representing interest	<u>(676,023)</u>
Present value of net minimum lease payments	<u>\$ 3,605,627</u>

The current portion of capital leases payable at June 30, 2020 is \$592,912 and the long-term portion is \$3,012,715. The General Fund will be used to liquidate capital leases payable.

D. Unamortized Bond Premiums:

Unamortized bond premiums of the governmental fund types are recorded in the noncurrent liabilities of the Governmental Activities. As of June 30, 2020, the current portion of the liability is \$222,215, and the long-term portion is \$666,645.

E. Compensated Absences Payable:

The liability for compensated absences of the Governmental Fund types as of June 30, 2020 is recorded in the current and long-term liabilities. The current portion of the compensated absences balance in Governmental Activities is \$76,300 and the remaining compensated absences balance of \$1,337,547 in the Governmental Activities is reported as a long-term portion. The General Fund will be used to liquidate the Governmental Activities Compensated Absences Payable.

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, the entire \$5,000 of compensated absences is reported as a long-term liability and will be liquidated through the Food Service Enterprise Fund.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

F. 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 \$9,105,220. See Note 10 for further information on the PERS.

NOTE 10. 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](http://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:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and 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.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. 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 \$493,674 for fiscal year 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 \$9,105,220 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 0.05053%, which was a decrease of 0.00002% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$555,384.

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources detailed on the following page.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 10. 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)

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2014	6.44	\$ 24,063	
	2015	5.72	148,788	
	2016	5.57	736,339	
	2017	5.48		\$ 1,307,087
	2018	5.63		1,056,247
	2019	5.21		797,059
Subtotal			<u>909,190</u>	<u>3,160,393</u>
Changes in Proportion:	2014	6.44	22,153	
	2015	5.72		100,797
	2016	5.57		66,427
	2017	5.48	522,071	
	2018	5.63	201,608	
	2019	5.21		3,555
Subtotal			<u>745,832</u>	<u>170,779</u>
Difference Between Expected and Actual Experience:	2015	5.72	41,281	
	2016	5.57	22,346	
	2017	5.48	38,873	
	2018	5.63		40,223
	2019	5.21	60,927	
Subtotal			<u>163,427</u>	<u>40,223</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments:	2016	5.00		(168,057)
	2017	5.00		201,679
	2018	5.00		140,284
	2019	5.00		(30,177)
Subtotal				<u>143,729</u>
District Contribution Subsequent to the Measurement Date	2019	1.00	504,926	
			<u>\$ 2,323,375</u>	<u>\$ 3,515,124</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. 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)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and District contribution subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2020	\$ (262,917)
2021	(852,899)
2022	(761,589)
2023	(357,605)
2024	(36,718)
	\$ (2,271,728)

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	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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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 Investment and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in 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 Mitigation Strategies	3.00%	4.67%
Cash Equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment Grade Credit	10.00%	4.25%
High Yield	2.00%	5.37%
Private Credit	6.00%	7.92%
Real Assets	2.50%	9.31%
Real Estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. Developed Markets Equity	12.50%	9.00%
Emerging Markets Equity	6.50%	11.37%
Private Equity	12.00%	10.85%

Discount Rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. 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		
	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's proportionate share of the Net Pension Liability	\$ 11,501,563	\$ 9,105,220	\$ 7,086,239

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](http://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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. 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 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and 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 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing 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 \$4,110,833 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$7,049,418.

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 10. 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 \$119,516,756. 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 0.1947%, which was a decrease of 0.0066% 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	<u>119,516,756</u>
Total	<u>\$ 119,516,756</u>

For the fiscal year ended June 30, 2020, the State recognized pension expense on behalf of the District in the amount of \$7,049,418 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 related to pensions from the following sources:

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions:	2014	8.50	\$ 768,874,621	
	2015	8.30	2,351,172,865	
	2016	8.30	5,609,216,856	
	2017	8.30		\$ 8,483,527,374
	2018	8.29		5,172,258,445
	2019	8.04		3,507,345,617
Difference Between Expected and Actual Experience:	2014	8.50		7,323,009
	2015	8.30	145,211,243	
	2016	8.30		69,755,412
	2017	8.30	150,939,884	
	2018	8.29	907,352,137	
	2019	8.04		136,265,890

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 10. 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)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources: (Cont'd)

	Deferral Year	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	5.00		(431,855,192)
	2017	5.00		452,016,524
	2018	5.00		288,091,115
	2019	5.00		(144,882,771)
			<u>\$ 9,932,767,606</u>	<u>\$ 17,539,845,423</u>

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:

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

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%



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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 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 Investment and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 10. 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 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 proportionate share of the net pension liability associated with 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		
	1% Decrease (4.60%)	Current Discount Rate (5.60%)	1% Increase (6.60%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 140,936,708	\$ 119,516,756	\$ 101,744,959

Pension Plan Fiduciary Net Position

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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.

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 \$1,501 for the fiscal year ended June 30, 2020. Employee contributions to DCRP amounted to \$2,752 for the fiscal year ended June 30, 2020.

NOTE 11. 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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, 2017, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	145,050
Active Plan Members	<u>217,131</u>
Total	<u><u>362,181</u></u>

Total Nonemployer OPEB Liability

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. The total nonemployer OPEB liability as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 which was rolled forward to June 30, 2017.

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 actuarial assumptions on the following page, applied to all periods in the measurement.

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NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs (Cont'd)

Inflation Rate	2.50%	
	TPAF/ABP	PERS
Salary Increases:		
Through 2026	1.55 - 4.55% based on years of service	2.15 - 4.15% based on age
Thereafter	2.00 - 5.45% based on years of service	3.15 - 5.15% based on age

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

100% of all retirees who currently have healthcare coverage are assumed to continue with that coverage. 100% of active members are considered to participate in the Plan upon retirement, having a coverage blend of 85% and 15% in PPO and HMO, respectively.

Mortality Rates

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

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the 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 trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The assumed Medicare Advantage trend rate is 4.5% in all future years.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

The discount rate for June 30, 2018 and 2017 was 3.87% and 3.58%, respectively, a change of +.29%. 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.

Changes in the State's Proportionate Share of the Total OPEB Liability Attributable to the District

	Total OPEB Liability
Balance at June 30, 2017	\$ 92,168,001
Changes for Year:	
Service Cost	3,069,605
Interest Cost	3,372,919
Difference Between Expected and Actual Experience	(7,502,525)
Changes in Assumptions	(9,166,552)
Member Contributions	73,822
Gross Benefit Payments	(2,135,945)
Net Changes	(12,288,676)
Balance at June 30, 2018	\$ 79,879,325

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, 2018 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, 2018		
	At 1% Decrease (2.87%)	At Discount Rate (3.87%)	At 1% Increase (4.87%)
Total OPEB Liability Attributable to the District	\$ 94,433,623	\$ 79,879,325	\$ 68,310,161

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 11. 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 Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2018 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, 2018		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 66,024,914	\$ 79,879,325	\$ 98,202,313

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

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$3,398,583 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.

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, 2018, the State had deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District from the following sources:

	Year of Deferral	Original Amortization Period	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54 years		\$ (9,702,692)
Changes in Assumptions	2018	9.51 years		(8,202,667)
				(17,905,359)
Difference Between Expected and Actual Experience	2018	9.51 years		(7,754,072)
Changes in Proportion	N/A	N/A	\$ 754,587	(82,277)
			\$ 754,587	\$ (25,741,708)

N/A - Not Available

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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(Continued)

NOTE 11. 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)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District, excluding changes in proportion, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Total
2019	\$ (3,161,887)
2020	(3,161,887)
2021	(3,161,887)
2022	(3,161,887)
2023	(3,161,887)
Total Thereafter	(9,849,996)
	\$ (25,659,431)

NOTE 12. 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.

Property and Liability Insurance

The District insures property, liability and health benefits through purchased insurance policies with the exception of workers' compensation coverage. The District obtains its health benefit coverage through Horizon Blue Cross Blue Shield of New Jersey. The District is a member of the Morris-Essex Insurance Group (the "Group"). The Group provides its members with workers' compensation coverage. 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 districts 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.

As a member of this Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Group's liabilities. The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 12. RISK MANAGEMENT (Cont'd)

The June 30, 2020 audit report for the Group is not available as of the date of this report. Selected financial information for the Group as of June 30, 2019 is as follows:

	<u>Morris-Essex Insurance Group</u>
Total Assets	\$ 11,171,182
Net Position	\$ 7,785,886
Total Revenue	\$ 3,977,325
Total Expenses	\$ 2,961,545
Member Dividends	\$ 1,026,731
Change in Net Position for the Year Ended June 30	\$ (10,951)

Financial statements for the Group are available at the Group's Executive Director's Office:

The Burton Agency  
44 Bergen Street  
PO Box 270  
Westwood, New Jersey 07675  
(201) 664-0310

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 the District's contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Trust Fiduciary Fund for the current and previous two fiscal 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-	\$ 278	\$ 37,661	\$ 30,043	\$ 135,913
2018-2019	-0-	233	37,752	31,070	128,017
2017-2018	-0-	382	37,979	35,361	121,102

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees 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 fiscal years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

<u>403(b)</u>	<u>457</u>
AXA Equitable Life Insurance Company	AXA Equitable Life Insurance Company
Variable Annuity Life Insurance Company	Variable Annuity Life Insurance Company
The Vanguard Group	
Metropolitan Life Resources	
Midland National Life Insurance Company	
T. Rowe Price	

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in pending lawsuits. The District estimates that any potential claims against it resulting from any litigation not covered by insurance would not materially affect the financial position of the District.

Encumbrances

At June 30, 2020, there were encumbrances as detailed below in the governmental funds.

Governmental Funds			
General	Special Revenue	Capital Projects	Total
\$ 135,663	\$ 285	\$ 38,190	\$ 174,138

In the District's Governmental Funds Balance Sheet as of June 30, 2020, no amount is assigned for encumbrances in the Special Revenue Fund since encumbrances are not recognized on the GAAP basis until they are paid. Actual encumbrances of \$285 on the budgetary basis are instead reflected as either a reduction of grants receivable or an increase in unearned revenue on the GAAP basis in the Special Revenue Fund. The \$38,190 of fiscal year-end encumbrances in the Capital Projects Fund are included in the \$136,253 committed fund balance on a GAAP and budgetary basis at June 30, 2020.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 15. TAX CALENDAR

Property taxes are levied 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, agreed-upon schedule.

NOTE 16. 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 17. INTERFUND RECEIVABLES, 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	\$ 8,315	\$ 108,363
Capital Projects Fund	108,363	
Proprietary Funds - Food Service		8,315
	<u>\$ 116,678</u>	<u>\$ 116,678</u>

During the fiscal year, the General Fund transferred \$1,479,119 to the Capital Projects Fund for the local share of capital projects and the Capital Projects Fund transferred \$957 of interest earnings and \$148,167 of unexpended local share of capital projects to the General Fund.

At June 30, 2020, the General Fund owes the Capital Projects Fund \$108,363 for the amount of local share of open projects, net of the unexpended local share of completed capital projects and interest earned due from the Capital Projects Fund. The Food Service Enterprise Fund owes the General Fund \$8,315 for payroll expenses.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 18. ACCOUNTS PAYABLE

Accounts payable recorded in the District’s Governmental Activities and Business-Type Activities as of June 30, 2020 consisted of the following:

	<u>Governmental Funds</u>		District	<u>Total</u> Governmental Activities	<u>Business-Type</u>
	<u>General</u> Fund	<u>Capital</u> Projects Fund	Contribution Subsequent to Measurement Date		<u>Activities</u> Proprietary Funds
Vendors	\$ 23,474	\$ 8,000		\$ 31,474	\$ 100
Due to:					
State of New Jersey			\$ 504,926	504,926	
	<u>\$ 23,474</u>	<u>\$ 8,000</u>	<u>\$ 504,926</u>	<u>\$ 536,400</u>	<u>\$ 100</u>

NOTE 19. 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 Borough of Chester recognized revenue in the amount of \$33,911 from one payment in lieu of taxes (“PILOT”) agreement. The taxes which would have been paid on this property for 2019 without the abatement would have been \$70,795 of which \$14,090 would have been regional school taxes.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
(Continued)

NOTE 20. 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 Food Service Enterprise Fund will likely be impacted by COVID-19 for the fiscal year ending June 30, 2021 as it is expected that the number of meals served will significantly decrease during the school year as a result of the pandemic.

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
 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
District's Proportion of the Net Pension Liability	0.0492208999%	0.0450609130%	0.0438744109%	0.0491657322%	0.0505520929%
District's Proportionate Share of the Net Pension Liability	\$ 9,215,499	\$ 10,115,272	\$ 12,994,342	\$ 11,444,997	\$ 9,953,455
District's Covered Employee Payroll	\$ 3,060,943	\$ 3,068,637	\$ 3,277,081	\$ 3,491,309	\$ 3,623,694
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	301.07%	329.63%	396.52%	327.81%	274.68%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	52.08%	47.93%	40.14%	48.10%	53.60%
	<u>Fiscal Year Ending June 30, 2020</u>				
District's Proportion of the Net Pension Liability	0.0505326671%				
District's Proportionate Share of the Net Pension Liability	\$ 9,105,220				
District's Covered Employee Payroll	\$ 3,606,656				
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered Employee Payroll	252.46%				
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
Contractually Required Contribution	\$ 405,770	\$ 387,403	\$ 389,774	\$ 461,763	\$ 504,995
Contributions in relation to the Contractually Required Contribution	<u>(405,770)</u>	<u>(387,403)</u>	<u>(389,774)</u>	<u>(461,763)</u>	<u>(504,995)</u>
Contribution Deficiency/(Excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's Covered Employee Payroll	\$ 3,068,637	\$ 3,277,081	\$ 3,491,309	\$ 3,623,694	\$ 3,606,656
Contributions as a percentage of Covered Employee Payroll	13.22%	11.82%	11.16%	12.74%	14.00%
	<u>Fiscal Year Ending June 30, 2020</u>				
Contractually Required Contribution	\$ 493,674				
Contributions in relation to the Contractually Required Contribution	<u>(493,674)</u>				
Contribution Deficiency/(Excess)	<u>\$ -0-</u>				
District's Covered Employee Payroll	\$ 3,677,383				
Contributions as a percentage of Covered Employee Payroll	13.42%				

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



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
State's Proportion of the Net Pension Liability attributable to the District	0.2118079146%	0.2133155613%	0.2069782016%	0.1956661602%	0.2014047309%
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 113,204,437	\$ 134,824,544	\$ 162,822,232	\$ 131,925,181	\$ 128,129,364
District's Covered Employee Payroll	\$ 20,809,267	\$ 20,158,162	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	544.01%	668.83%	796.89%	643.75%	635.84%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%
	<u>Fiscal Year</u> <u>Ending June 30,</u> <u>2020</u>				
State's Proportion of the Net Pension Liability attributable to the District	0.1947448553%				
State's Proportionate Share of the Net Pension Liability attributable to the District	\$ 119,516,756				
District's Covered Employee Payroll	\$ 19,710,835				
State's Proportionate Share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	606.35%				
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
Contractually Required Contribution	\$ 6,091,462	\$ 8,232,252	\$ 12,233,825	\$ 9,139,108	\$ 7,469,494
Contributions in relation to the Contractually Required Contribution	<u>(1,153,262)</u>	<u>(1,657,148)</u>	<u>(2,123,905)</u>	<u>(2,965,981)</u>	<u>(3,830,161)</u>
Contribution Deficiency/(Excess)	<u>\$ 4,938,200</u>	<u>\$ 6,575,104</u>	<u>\$ 10,109,920</u>	<u>\$ 6,173,127</u>	<u>\$ 3,639,333</u>
District's Covered Employee Payroll	\$ 20,158,162	\$ 20,432,108	\$ 20,493,350	\$ 20,151,103	\$ 19,710,835
Contributions as a percentage of Covered Employee Payroll	5.72%	8.11%	10.36%	14.72%	19.43%
	<u>Fiscal Year Ending June 30, 2020</u>				
Contractually Required Contribution	\$ 7,049,418				
Contributions in relation to the Contractually Required Contribution	<u>(4,110,833)</u>				
Contribution Deficiency/(Excess)	<u>\$ 2,938,585</u>				
District's Covered Employee Payroll	\$ 20,669,891				
Contributions as a percentage of Covered Employee Payroll	19.89%				

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL  
OPEB LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS  
LAST TWO FISCAL YEARS

	<u>Fiscal Year Ending June 30,</u>	
	<u>2018</u>	<u>2017</u>
Total OPEB Liability		
Service Cost	\$ 3,069,605	\$ 3,709,580
Interest Cost	3,372,919	2,912,060
Difference Between Expected and Actual Experience	(7,502,525)	
Changes in Assumptions	(9,166,552)	(11,886,287)
Member Contributions	73,822	78,609
Gross Benefit Payments	<u>(2,135,945)</u>	<u>(2,134,806)</u>
Net Change in Total OPEB Liability	(12,288,676)	(7,320,844)
Total OPEB Liability - Beginning	<u>92,168,001</u>	<u>99,488,845</u>
Total OPEB Liability - Ending	<u>\$ 79,879,325</u>	<u>\$ 92,168,001</u>
District's Covered Employee Payroll *	\$ 23,984,659	\$ 23,709,189
Total OPEB Liability as a Percentage of Covered Employee Payroll	333%	389%

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

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 Assumptions

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Discount Rate	6.28%	5.66%
Municipal Bond Rate	3.50%	3.87%
Inflation Rate		2.25%
Inflation Rate:		
Price	2.75%	
Wage	3.25%	
Salary Increases:		
Through 2026 Based on Age		1.65% - 4.15%
Through 2026 Based on Years of Service	2.00% - 6.00%	
Thereafter Based on Age		2.65% - 5.15%
Thereafter Based on Years of Service	3.00% - 7.00%	

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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 Assumptions

	<u>As of June 30,</u>	
	<u>2019</u>	<u>2018</u>
Discount Rate	5.60%	4.86%
Municipal Bond Rate	3.50%	3.87%
Inflation Rate		2.25%
Inflation Rate:		
Price	2.75%	
Wage	3.25%	
Salary Increases:		
2011 - 2026 Based on Age		1.55% - 4.55%
Through 2026 Based on Years of Service	1.55% - 4.45%	
Thereafter Based on Age		2.00% - 5.45%
Thereafter Based on Years of Service	2.75% - 5.65%	

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

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.

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

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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 changed from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

The mortality rates utilized in the June 30, 2017 valuation were as follows: Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using scale MP-2017. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using scale MP-2017. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using scale MP-2017.

The mortality rates utilized in the June 30, 2018 valuation were as follows: Preretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Employee Male/Female Mortality Table with fully generational mortality improvement projections from the central year using scale MP-2017. Postretirement mortality rates were based on the RP-2006 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using scale MP-2017. 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 scale MP-2017.

The health care trend rates utilized in the June 30, 2017 valuation were as follows: For pre-Medicare preferred provider organization (PPO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long term trend rate after eight years. For prescription drug benefits, the initial trend rate is 8.0% decreasing to a 5.0% long term trend rate after eight 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 utilized in the June 30, 2018 valuation were as follows: For pre-Medicare preferred provider organization (PPO) and health maintenance organization (HMO) medical benefits, the 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 trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The assumed Medicare Advantage trend rate is 4.5% in all future years.

BUDGETARY COMPARISON SCHEDULES

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 45,269,541		\$ 45,269,541	\$ 45,269,541	
Tuition - From Individuals	260,820	(209,520)	51,300	59,286	\$ 7,986
Tuition - Other LEA's Within State		207,520	207,520	197,490	(10,030)
Tuition - Other		2,000	2,000	7,100	5,100
Unrestricted Miscellaneous Revenue	260,775		260,775	343,969	83,194
Interest on Capital Reserve	1,500		1,500	6,677	5,177
Interest on Maintenance Reserve	500		500	5,410	4,910
Other Restricted Miscellaneous Revenue	756,090		756,090	648,014	(108,076)
<b>Total - Local Sources</b>	<b>46,549,226</b>		<b>46,549,226</b>	<b>46,537,487</b>	<b>(11,739)</b>
State Sources:					
Transportation Aid	1,396,979		1,396,979	1,396,979	
Categorical Special Education Aid	2,078,066		2,078,066	2,078,066	
Equalization Aid	313,431		313,431	313,431	
Categorical Security Aid	213,804		213,804	213,804	
Adjustment Aid	276,868		276,868	276,868	
Extraordinary Special Education Costs Aid				608,980	608,980
Nonpublic Transportation Costs				13,757	13,757
On-Behalf TPAF Contributions:					
Post-Retirement Medical Benefits (Non-Budgeted)				1,552,379	1,552,379
Pension (Non-Budgeted)				4,110,833	4,110,833
Non-Contributory Insurance (Non-Budgeted)				73,682	73,682
Long-Term Disability Insurance (Non-Budgeted)				3,556	3,556
Reimbursed TPAF Contributions:					
Social Security Aid (Non-Budgeted)				1,447,034	1,447,034
<b>Total State Sources</b>	<b>4,279,148</b>		<b>4,279,148</b>	<b>12,089,369</b>	<b>7,810,221</b>



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUE:</b>					
Federal Sources:					
Medicaid Reimbursement (SEMI)	\$ 13,389		\$ 13,389	\$ 47,662	\$ 34,273
Total Federal Sources	13,389		13,389	47,662	34,273
<b>TOTAL REVENUE</b>	<b>50,841,763</b>		<b>50,841,763</b>	<b>58,674,518</b>	<b>7,832,755</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	15,209,126	\$ (143,497)	15,065,629	13,976,647	1,088,982
Regular Programs - Home Instruction:					
Salaries of Teachers	200,000	(124,503)	75,497	75,497	500
Purchased Professional - Educational Services					
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 series)	344,005	(10,406)	333,599	305,648	27,951
General Supplies	593,553	11,635	605,188	514,165	91,023
Textbooks	340,688	(272,392)	68,296	52,928	15,368
Other Objects	500		500		500
Total Regular Programs - Instruction	16,688,372	(539,163)	16,149,209	14,924,885	1,224,324
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	2,353,827	21,557	2,375,384	2,343,296	32,088
Other Salaries for Instruction	613,433	(48,557)	564,876	549,989	14,887
Other Purchased Services (400-500 series)		345	345	345	
General Supplies	19,000	(1,345)	17,655	9,268	8,387
Total Resource Room/Resource Center	2,986,260	(28,000)	2,958,260	2,902,898	55,362

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Special Education - Instruction:					
Home Instruction:					
Other Purchased Services (400-500 series)	\$ 1,600		\$ 1,600		\$ 1,600
Total Home Instruction	1,600		1,600		1,600
Total Special Education - Instruction	2,987,860	\$ (28,000)	2,959,860	\$ 2,902,898	56,962
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	491,713	9,329	501,042	491,981	9,061
Purchased Services (300-500 series)	10,808	(1,494)	9,314	7,247	2,067
Supplies and Materials	41,647	(4,281)	37,366	37,104	262
Other Objects	17,562	(3,554)	14,008	12,062	1,946
Total School-Sponsored Cocurricular Activities - Instruction	561,730		561,730	548,394	13,336
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	1,469,378	16,364	1,485,742	1,473,910	11,832
Purchased Services (300-500 series)	4,925	2,400	7,325	4,854	2,471
Supplies and Materials	213,003	(4,001)	209,002	200,289	8,713
Other Objects	244,223	(17,763)	226,460	191,928	34,532
Total School-Sponsored Cocurricular Athletics - Instruction	1,931,529	(3,000)	1,928,529	1,870,981	57,548
Other Instructional Programs - Instruction:					
Salaries	8,000		8,000	2,273	5,727
Total Other Instructional Programs - Instruction	8,000		8,000	2,273	5,727
<b>Total Instruction Expenditures</b>	<b>22,177,491</b>	<b>(570,163)</b>	<b>21,607,328</b>	<b>20,249,431</b>	<b>1,357,897</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	\$ 319,350	\$ (118,050)	\$ 201,300	\$ 196,702	\$ 4,598
Tuition to County Vocational School District - Regular	518,700	(184,759)	333,941	312,269	21,672
Tuition to County Vocational School District - Special	239,901	(52,912)	186,989	184,362	2,627
Tuition to CSSD & Regional Day Schools		34,369	34,369	34,369	
Tuition to Private Schools for the Disabled - Within State	3,232,751	380,110	3,612,861	3,454,157	158,704
Tuition to Private Schools for the Disabled and Other LEAs Special - Outside the State		94,150	94,150	85,400	8,750
Total Undistributed Expenditures - Instruction	4,310,702	152,908	4,463,610	4,267,259	196,351
Attendance & Social Work Services:					
Salaries	23,387		23,387	18,650	4,737
Supplies and Materials	4,088	(1,089)	2,999	2,438	561
Total Attendance & Social Work Services	27,475	(1,089)	26,386	21,088	5,298
Health Services:					
Salaries	500,588		500,588	376,941	123,647
Purchased Professional and Technical Services	35,081	2,400	37,481	36,525	956
Other Purchased Services (400-500 series)	450		450		450
Supplies and Materials	10,738	125	10,863	9,984	879
Other Objects	1,241	(125)	1,116		1,116
Total Health Services	548,098	2,400	550,498	423,450	127,048

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Undistributed Expenditures:					
Speech, OT, PT & Related Services:					
Purchased Professional - Educational Services	\$ 150,000	\$ (150,000)			
Supplies and Materials	1,000	19,800	\$ 20,800	\$ 19,711	\$ 1,089
Other Objects	25,000	(20,000)	5,000	5,000	
<b>Total Speech, OT, PT &amp; Related Services</b>	<b>176,000</b>	<b>(150,200)</b>	<b>25,800</b>	<b>24,711</b>	<b>1,089</b>
Guidance:					
Salaries of Other Professional Staff	1,306,953		1,306,953	1,259,029	47,924
Salaries of Secretarial and Clerical Assistants	151,602		151,602	151,235	367
Other Purchased Professional and Technical Services	19,036		19,036	17,069	1,967
Other Purchased Services (400-500 series)	12,750		12,750	12,000	750
Supplies and Materials	10,759		10,759	9,945	814
Other Objects	5,982		5,982	5,282	700
<b>Total Guidance</b>	<b>1,507,082</b>		<b>1,507,082</b>	<b>1,454,560</b>	<b>52,522</b>
Child Study Team:					
Salaries of Other Professional Staff	983,684	16,168	999,852	996,852	3,000
Salaries of Secretarial and Clerical Assistants	150,559		150,559	150,285	274
Purchased Professional - Educational Services	735,500	(206,066)	529,434	427,291	102,143
Other Purchased Services (400-500 series)	24,042	(13,742)	10,300	2,331	7,969
Miscellaneous Purchased Services (400-500 series Other than Residential Costs)		13,742	13,742	13,742	
Supplies and Materials	17,100	23,961	41,061	27,449	13,612
Other Objects	19,850	(750)	19,100	3,800	15,300
<b>Total Child Study Team</b>	<b>1,930,735</b>	<b>(166,687)</b>	<b>1,764,048</b>	<b>1,621,750</b>	<b>142,298</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	\$ 270,582	\$ 538	\$ 271,120	\$ 271,120	
Salaries of Other Professional Staff	70,000	(538)	69,462	42,368	\$ 27,094
Salaries of Secretarial and Clerical Assistants	146,964	(1)	146,963	128,326	18,637
Other Purchased Professional and Technical Services	125,000	23,675	148,675	136,947	11,728
Other Purchased Services (400-500 series)	4,100	(3,000)	1,100	946	154
Supplies and Materials	266,000	(6,000)	260,000	115,220	144,780
Other Objects	1,750	3,000	4,750	879	3,871
<b>Total Improvement of Instructional Services</b>	<b>884,396</b>	<b>17,674</b>	<b>902,070</b>	<b>695,806</b>	<b>206,264</b>
Educational Media Services/School Library:					
Salaries	152,273	(597)	151,676	147,719	3,957
Salaries of Technology Coordinators	390,547	597	391,144	391,144	
Supplies and Materials	87,113	(1,575)	85,538	74,354	11,184
Other Objects	892	(1)	891		891
<b>Total Educational Media Services/School Library</b>	<b>630,825</b>	<b>(1,576)</b>	<b>629,249</b>	<b>613,217</b>	<b>16,032</b>
Instructional Staff Training Services:					
Salaries of Other Professional Staff	267,929	3,142	271,071	271,071	
Purchased Professional - Educational Services	49,000	(3,141)	45,859	44,354	1,505
Other Purchased Professional and Technical Services	6,600	(5,100)	1,500	1,500	
Other Purchased Services (400-500 series)	76,051		76,051	53,161	22,890
Supplies and Materials	2,600		2,600	2,600	
<b>Total Instructional Staff Training Services</b>	<b>402,180</b>	<b>(5,099)</b>	<b>397,081</b>	<b>372,686</b>	<b>24,395</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
General Administration:					
Salaries	\$ 451,368	\$ 80,146	\$ 531,514	\$ 451,241	\$ 80,273
Unused Vacation Payment to Terminated/Retired Staff		7,333	7,333	7,333	
Legal Services	100,000	23,381	123,381	109,342	14,039
Audit Fees	62,552	505	63,057	63,057	
Other Purchased Professional Services	39,513	(3,886)	35,627	24,137	11,490
Communications/Telephone	55,900	1,138	57,038	46,107	10,931
BOE Other Purchased Services	4,000		4,000	3,428	572
Miscellaneous Purchased Services (400-500 series)	308,353	(30,001)	278,352	239,678	38,674
General Supplies	6,234		6,234	3,357	2,877
Miscellaneous Expenditures	13,491	(1,138)	12,353	7,347	5,006
BOE Membership Dues and Fees	23,725	1	23,726	20,440	3,286
<b>Total General Administration</b>	<b>1,065,136</b>	<b>77,479</b>	<b>1,142,615</b>	<b>975,467</b>	<b>167,148</b>
School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	987,484		987,484	969,227	18,257
Salaries of Other Professional Staff	375,369	20,632	396,001	378,501	17,500
Salaries of Secretarial and Clerical Assistants	340,691	24,368	365,059	360,189	4,870
Unused Vacation Payment to Terminated/Retired Staff	31,855	(31,855)			
Other Purchased Services (400-500 series)		10,515	10,515	6,942	3,573
Supplies and Materials	2,500		2,500	1,321	1,179
Other Objects	56,623		56,623	47,239	9,384
<b>Total School Administration</b>	<b>1,794,522</b>	<b>23,660</b>	<b>1,818,182</b>	<b>1,763,419</b>	<b>54,763</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Central Services:					
Salaries	\$ 445,675	\$ 11,706	\$ 457,381	\$ 457,137	\$ 244
Unused Vacation Payment to Terminated/Retired Staff		1,867	1,867	1,867	
Purchased Professional Services	47,225	814	48,039	26,136	21,903
Purchased Technical Services	12,500	(2,125)	10,375	9,400	975
Miscellaneous Purchased Services (400-500 series)	10,500	(1,867)	8,633	5,437	3,196
Supplies and Materials	7,750		7,750	5,121	2,629
Miscellaneous Expenditures	3,250	2,125	5,375	2,841	2,534
<b>Total Central Services</b>	<b>526,900</b>	<b>12,520</b>	<b>539,420</b>	<b>507,939</b>	<b>31,481</b>
Administrative Information Technology:					
Salaries	114,095		114,095	113,099	996
Purchased Technical Services	75,000	20,000	95,000	71,738	23,262
Other Purchased Services (400-500 series)	198,509	(28,663)	169,846	146,297	23,549
Supplies and Materials	51,616	8,662	60,278	59,866	412
Other Objects	900		900	880	20
<b>Total Administrative Information Technology</b>	<b>440,120</b>	<b>(1)</b>	<b>440,119</b>	<b>391,880</b>	<b>48,239</b>
Required Maintenance for School Facilities:					
Salaries	38,421		38,421	12,581	25,840
Cleaning, Repair and Maintenance Services	145,975	14,670	160,645	133,726	26,919
General Supplies	100,755	19,450	120,205	105,369	14,836
<b>Total Required Maintenance for School Facilities</b>	<b>285,151</b>	<b>34,120</b>	<b>319,271</b>	<b>251,676</b>	<b>67,595</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 1,269,035	\$ 33,185	\$ 1,302,220	\$ 1,156,588	\$ 145,632
Purchased Professional and Technical Services	220,390	(34,020)	186,370	117,801	68,569
Cleaning, Repair and Maintenance Services	191,019	(4,763)	186,256	120,829	65,427
Rental of Land & Buildings Other than Lease Purchase Agreements	136,429		136,429	100,912	35,517
Lease Purchase Payments - ESIP	110,000	181,517	291,517	291,517	
Other Purchased Property Services	79,151	3,724	82,875	78,746	4,129
Insurance	44,940		44,940	36,447	8,493
Miscellaneous Purchased Services	6,124	234	6,358	4,698	1,660
General Supplies	369,014	(41,851)	327,163	256,024	71,139
Energy (Natural Gas)	258,290	(41,999)	216,291	200,516	15,775
Energy (Electricity)	443,074	(84,329)	358,745	339,608	19,137
Other Objects	9,100	1,054	10,154	4,564	5,590
Interest - ESIP Bonds	55,000	(55,000)			
Total Custodial Services	3,191,566	(42,248)	3,149,318	2,708,250	441,068
Care & Upkeep of Grounds:					
Salaries	349,620	35,294	384,914	382,966	1,948
Unused Vacation Payment to Terminated/Retired Staff		1,723	1,723		
Purchased Professional and Technical Services	30,000		30,000	13,668	16,332
Cleaning, Repair and Maintenance Services	119,115	5,500	124,615	102,504	22,111
General Supplies	87,699	(3,000)	84,699	51,480	33,219
Total Care & Upkeep of Grounds	586,434	39,517	625,951	552,341	73,610
Security:					
Salaries	48,750		48,750	47,975	775
Purchased Professional and Technical Services	220,350	2,250	222,600	206,875	15,725
Cleaning, Repair and Maintenance Services	28,483	(2,763)	25,720	25,720	
Miscellaneous Purchased Services		513	513		513
General Supplies	9,837	12,210	22,047	16,112	5,935
Other Objects	31,064	(12,210)	18,854	7,926	10,928
Total Security	338,484		338,484	304,608	33,876



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	\$ 65,043	\$ 16,599	\$ 81,642	\$ 81,642	
Between Home and School - Special	7,000	30,632	37,632	37,632	
Other than Between Home and School	122,700	(3,296)	119,404	119,404	
Between Home and School - Nonpublic Schools	18,102	3,996	22,098	22,098	
Unused Vacation Payment to Terminated/Retired Staff	65,983	1,250	1,250	1,250	
Management Fee - ESC & CTSA Transportation Program	7,645	(298)	73,451	73,451	
Other Purchased Professional and Technical Services	52,000	868	52,868	52,868	
Cleaning, Repair and Maintenance Services					
Contracted Services:					
Aid in Lieu of Payments - Nonpublic Students	107,000	(44,706)	62,294	62,294	
Other than Between Home and School - Vendors	325,000	(105,150)	219,850	219,850	
Between Home and School - Joint Agreements	1,316,661	(101,438)	1,215,223	1,215,223	
Special Education Students - Vendors	22,300	(8,228)	14,072	14,072	
Special Education Students - Joint Agreements	12,000	(12,000)			
Regular Students - ESC's & CTSA's	200,000	35,391	235,391	235,391	
Special Education Students - ESC's & CTSA's	1,469,867	606,674	2,076,541	2,076,541	
Miscellaneous Purchased Services	7,940	(682)	7,258	7,258	
General Supplies	32,330	(4,620)	27,710	27,710	
Other Objects	700	1,322	2,022	2,022	
Total Student Transportation Services	3,832,271	423,782	4,256,053	4,256,053	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 620,719	\$ 132,342	\$ 753,061	\$ 658,009	\$ 95,052
TPAF Contributions - ERIP	1,331	(150)	1,181		1,181
Other Retirement Contributions - PERS	491,350	7,846	499,196	493,674	5,522
Other Retirement Contributions - Regular		1,501	1,501	1,501	
Unemployment Compensation	25,000		25,000		25,000
Workmen's Compensation	291,700		291,700	189,587	102,113
Health Benefits	6,005,305	(110,743)	5,894,562	5,160,431	734,131
Tuition Reimbursement	133,649	(9,348)	124,301	54,425	69,876
Other Employee Benefits	334,536	(111,050)	223,486	186,448	37,038
<b>Total Unallocated Benefits</b>	<b>7,903,590</b>	<b>(89,602)</b>	<b>7,813,988</b>	<b>6,744,075</b>	<b>1,069,913</b>
<b>On-Behalf TPAF Contributions:</b>					
Post-Retirement Medical Benefits (Non-Budgeted)				1,552,379	(1,552,379)
Pension (Non-Budgeted)				4,110,833	(4,110,833)
Non-Contributory Insurance (Non-Budgeted)				73,682	(73,682)
Long-Term Disability Insurance (Non-Budgeted)				3,556	(3,556)
<b>Reimbursed TPAF Contributions:</b>					
Social Security Aid (Non-Budgeted)				1,447,034	(1,447,034)
<b>Total On-Behalf and Reimbursed Contributions</b>				<b>7,187,484</b>	<b>(7,187,484)</b>
<b>Total Personal Services - Employee Benefits</b>	<b>7,903,590</b>	<b>(89,602)</b>	<b>7,813,988</b>	<b>13,931,559</b>	<b>(6,117,571)</b>
<b>Total Undistributed Expenditures</b>	<b>30,381,667</b>	<b>327,558</b>	<b>30,709,225</b>	<b>35,137,719</b>	<b>(4,428,494)</b>
<b>TOTAL CURRENT EXPENSE</b>	<b>52,559,158</b>	<b>(242,605)</b>	<b>52,316,553</b>	<b>55,387,150</b>	<b>(3,070,597)</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CAPITAL OUTLAY</b>					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	\$ 10,100	\$ 99	\$ 10,199	\$ 9,967	\$ 232
School-Sponsored and Other Instructional Programs	12,500		12,500	10,900	1,600
Undistributed Expenditures:					
Instruction	398,974	242,506	641,480	631,164	10,316
Instructional Staff	23,524		23,524	22,833	691
Required Maintenance for School Facilities	51,000		51,000	5,484	45,516
Custodial Services	60,000	(17,500)	42,500	13,763	28,737
Care and Upkeep of Grounds	55,000	17,500	72,500	53,156	19,344
Student Transportation - Non-Instructional Equipment	60,354		60,354	60,354	
<b>Total Equipment</b>	<b>671,452</b>	<b>242,605</b>	<b>914,057</b>	<b>807,621</b>	<b>106,436</b>
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services		99,935	99,935	74,951	24,984
Construction Services	370,953	(99,935)	271,018	187,718	83,300
Lease Purchase Agreements - Principal		271,313	271,313	271,313	
Other Objects		27,392	27,392	27,392	
Other Objects - Debt Service Assessment	102,861		102,861	102,861	
<b>Total Facilities Acquisition and Construction Services</b>	<b>473,814</b>	<b>298,705</b>	<b>772,519</b>	<b>664,235</b>	<b>108,284</b>
Assets Acquired Under Capital Leases (Non-Budgeted):					
Regular Programs - Instruction:					
Grades 9-12				235,996	(235,996)
Undistributed Expenditures:					
Care and Upkeep of Grounds				123,708	(123,708)
School Buses - Regular				207,158	(207,158)
<b>Total Assets Acquired Under Capital Leases (Non-Budgeted)</b>				<b>566,862</b>	<b>(566,862)</b>
<b>TOTAL CAPITAL OUTLAY</b>	<b>1,145,266</b>	<b>541,310</b>	<b>1,686,576</b>	<b>2,038,718</b>	<b>(352,142)</b>
<b>TOTAL EXPENDITURES</b>	<b>53,704,424</b>	<b>298,705</b>	<b>54,003,129</b>	<b>57,425,868</b>	<b>(3,422,739)</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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	\$ (2,862,661)	\$ (298,705)	\$ (3,161,366)	\$ 1,248,650	\$ 4,410,016
Other Financing Sources/(Uses):					
Capital Leases (Non-Budgeted)				566,862	566,862
Transfer from Food Service Enterprise Fund				15,265	15,265
Transfer from Capital Reserve to Capital Projects Fund	(1,758,290)	279,171	(1,479,119)	(1,479,119)	
Transfer from Capital Projects Fund:					
Capital Reserve Unexpended Funds Returned				148,167	148,167
Interest Earned				957	957
Total Other Financing Sources/(Uses)	(1,758,290)	279,171	(1,479,119)	(747,868)	731,251
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(4,620,951)	(19,534)	(4,640,485)	500,782	5,141,267
Fund Balance, July 1	9,967,397		9,967,397	9,967,397	
Fund Balance, June 30	\$ 5,346,446	\$ (19,534)	\$ 5,326,912	\$ 10,468,179	\$ 5,141,267
Recapitulation:					
Restricted for:					
Capital Reserve				\$ 4,208,254	
Maintenance Reserve				396,306	
Excess Surplus				1,899,206	
Excess Surplus - For Subsequent Year's Expenditures				1,745,285	
Assigned:					
Year-End Encumbrances				135,663	
For Subsequent Year's Expenditures				437,715	
Unassigned				1,645,750	
Total Fund Balance - Budgetary Basis				10,468,179	
Reconciliation to Governmental Fund Statements (GAAP):					
June State Aid payments not recognized on a GAAP basis				(406,423)	
Fund Balance per Governmental Funds on Exhibit B-1				\$ 10,061,756	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>REVENUES:</b>					
State Sources		\$ 93,352	\$ 93,352	\$ 84,661	\$ (8,691)
Federal Sources	\$ 597,633	28,158	625,791	571,701	(54,090)
Local Sources		128,250	128,250	31,772	(96,478)
<b>Total Revenues</b>	<b>597,633</b>	<b>249,760</b>	<b>847,393</b>	<b>688,134</b>	<b>(159,259)</b>
<b>EXPENDITURES:</b>					
Instruction					
Personal Services - Salaries	28,425	(28,425)			
Other Purchased Services		61,239	61,239	52,548	8,691
Tuition	540,508	29,768	570,276	558,726	11,550
General Supplies		34,647	34,647	13,032	21,615
Textbooks		19,081	19,081	19,081	
<b>Total Instruction</b>	<b>568,933</b>	<b>116,310</b>	<b>685,243</b>	<b>643,387</b>	<b>41,856</b>
Support Services					
Personal Services - Salaries		29,992	29,992		29,992
Purchased Professional/Technical Services	28,700	(12,100)	16,600	12,975	3,625
Other Purchased Services		846	846		846
Transportation		318	318		318
Other Objects		46,882	46,882	24,994	21,888
<b>Total Support Services</b>	<b>28,700</b>	<b>65,938</b>	<b>94,638</b>	<b>37,969</b>	<b>56,669</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>EXPENDITURES:</b>					
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	\$ 67,512		\$ 67,512	\$ 6,778	\$ 60,734
Total Facilities Acquisition and Construction Services	67,512		67,512	6,778	60,734
Total Expenditures	\$ 597,633	249,760	847,393	688,134	159,259
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 58,674,518	\$ 688,134
Differences - Budget 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.		32,443
State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements (Prior Year)	409,635	
State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements (Current Year)	(406,423)	
	\$ 58,677,730	\$ 720,577
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 58,677,730	\$ 720,577
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 57,425,868	\$ 688,134
Differences - Budget 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		32,443
	\$ 57,425,868	\$ 720,577
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 57,425,868	\$ 720,577

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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. 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 budgets during the fiscal 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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 IIA	IDEA - Part B, Basic Regular	NJ Nonpublic Textbooks
<b>REVENUE:</b>			
State Sources			\$ 19,081
Federal Sources	\$ 1,425	\$ 570,276	
Local Sources			
<b>Total Revenue</b>	<b>1,425</b>	<b>570,276</b>	<b>19,081</b>
<b>EXPENDITURES:</b>			
Instruction:			
Other Purchased Services			
Tuition		558,726	
General Supplies			
Textbooks			19,081
<b>Total Instruction</b>		<b>558,726</b>	<b>19,081</b>
Support Services:			
Purchased Professional/Technical Services	1,425	11,550	
Other Objects			
<b>Total Support Services</b>	<b>1,425</b>	<b>11,550</b>	
Equipment:			
Non-Instructional Equipment			
<b>Total Equipment</b>			
<b>Total Expenditures</b>	<b>\$ 1,425</b>	<b>\$ 570,276</b>	<b>\$ 19,081</b>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	NJ Nonpublic		
	Technology Initiative	Handicapped Services (Chapter 193)	
		Examination & Classification	Supplementary Instruction
REVENUE:			
State Sources	\$ 13,032	\$ 7,623	\$ 9,714
Federal Sources			
Local Sources			
Total Revenue	<u>13,032</u>	<u>7,623</u>	<u>9,714</u>
EXPENDITURES:			
Instruction:			
Other Purchased Services		7,623	9,714
Tuition			
General Supplies	13,032		
Textbooks			
Total Instruction	<u>13,032</u>	<u>7,623</u>	<u>9,714</u>
Support Services:			
Purchased Professional/Technical Services			
Other Objects			
Total Support Services			
Equipment:			
Non-Instructional Equipment			
Total Equipment			
Total Expenditures	<u>\$ 13,032</u>	<u>\$ 7,623</u>	<u>\$ 9,714</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>NJ Nonpublic</u>	<u>Other Local</u>	<u>Totals</u>
	<u>Nursing</u>	<u>Projects</u>	<u>June 30, 2020</u>
	<u>Services</u>		
REVENUE:			
State Sources	\$ 35,211		\$ 84,661
Federal Sources			571,701
Local Sources		\$ 31,772	31,772
Total Revenue	<u>35,211</u>	<u>31,772</u>	<u>688,134</u>
EXPENDITURES:			
Instruction:			
Other Purchased Services	35,211		52,548
Tuition			558,726
General Supplies			13,032
Textbooks			19,081
Total Instruction	<u>35,211</u>		<u>643,387</u>
Support Services:			
Purchased Professional/Technical Services			12,975
Other Objects		24,994	24,994
Total Support Services		<u>24,994</u>	<u>37,969</u>
Equipment:			
Non-Instructional Equipment		6,778	6,778
Total Equipment		<u>6,778</u>	<u>6,778</u>
Total Expenditures	<u>\$ 35,211</u>	<u>\$ 31,772</u>	<u>\$ 688,134</u>

CAPITAL PROJECTS FUND

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Revenue and Other Financing Sources:	
Capital Lease Proceeds	\$ (149,079)
Transfer from Capital Reserve	1,479,119
Interest Revenue	957
	<hr/>
Total Revenue and Other Financing Sources	1,330,997
	<hr/>
Expenditures and Other Financing Uses:	
Construction Services	1,381,027
Transfer to General Fund:	
Capital Reserve Unexpended Funds Returned	148,167
Interest Earned	957
	<hr/>
Total Expenditures and Other Financing Uses	1,530,151
	<hr/>
Deficit of Revenue & Other Financing Sources Under Expenditures & Other Financing Uses	(199,154)
	<hr/>
Fund Balance - Beginning	335,407
	<hr/>
Fund Balance - Ending	\$ 136,253
	<hr/> <hr/>
Recapitulation of Fund Balance:	
Committed - Year-End Encumbrances	\$ 38,190
Committed	98,063
	<hr/>
Fund Balance per Governmental Funds (Budgetary Basis and GAAP Basis)	\$ 136,253
	<hr/> <hr/>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS MENDHAM HIGH SCHOOL -  
RUNNING TRACK REPLACEMENT AND FIELD LIGHTING PROJECTS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Capital Lease Proceeds	\$ 79,900	\$ (11,500)	\$ 68,400	\$ 68,400
Transfer from Capital Reserve	1,100,000		1,100,000	1,100,000
Total Revenue and Other Financing Sources	1,179,900	(11,500)	1,168,400	1,168,400
Expenditures:				
Construction Services	1,160,900	7,500	1,168,400	1,168,400
Total Expenditures	1,160,900	7,500	1,168,400	1,168,400
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 19,000	\$ (19,000)	\$ -0-	\$ -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	\$ 1,100,000			
Additional Authorization	\$ 79,900			
Change Orders	\$ -0-			
Unexpended Balances Canceled	\$ (11,500)			
Revised Authorized Cost	\$ 1,168,400			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/01/18			
Revised Target Completion Date	10/01/18			



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS CENTRAL HIGH SCHOOL - TURF FIELD 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:				
Capital Lease Proceeds	\$ 368,910	\$ (76,110)	\$ 292,800	\$ 292,800
Transfer from Capital Reserve	1,079,008	76,110	1,155,118	1,155,118
Total Revenue and Other Financing Sources	<u>1,447,918</u>	<u>- 0 -</u>	<u>1,447,918</u>	<u>1,447,918</u>
Expenditures:				
Construction Services	1,447,918		1,447,918	1,447,918
Total Expenditures	<u>1,447,918</u>	<u>- 0 -</u>	<u>1,447,918</u>	<u>1,447,918</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ - 0 -</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>

## 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	\$ 1,041,800
Additional Authorization	\$ 368,910
Change Orders	\$ 37,208
Revised Authorized Cost	\$ 1,447,918
Change Order Percentage	3.57%
Percentage Completion	100.00%
Original Target Completion Date	08/15/18
Revised Target Completion Date	09/30/18

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
ENERGY SAVINGS IMPROVEMENT PROGRAM (ESIP)  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Capital Lease Proceeds	\$ 3,246,767	\$ (61,469)	\$ 3,185,298	\$ 3,185,298
Transfer from Capital Reserve		8,994	8,994	8,994
	<u>3,246,767</u>	<u>(52,475)</u>	<u>3,194,292</u>	<u>3,194,292</u>
Total Revenue and Other Financing Sources				
Expenditures:				
Purchased Professional and Technical Services	30,000		30,000	30,000
Construction Services	3,130,954	33,338	3,164,292	3,164,292
	<u>3,160,954</u>	<u>33,338</u>	<u>3,194,292</u>	<u>3,194,292</u>
Total Expenditures				
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 85,813</u>	<u>\$ (85,813)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
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	\$ 3,246,767			
Change Orders	\$ -0-			
Unexpended Balances Canceled	\$ (52,475)			
Revised Authorized Cost	\$ 3,194,292			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	06/30/18			
Revised Target Completion Date	04/30/19			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS MENDHAM HIGH SCHOOL -  
FIRE ALARM 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:				
Transfer from Capital Reserve	\$ 429,123		\$ 429,123	\$ 429,123
Total Revenue and Other Financing Sources	<u>429,123</u>	<u>\$ - 0 -</u>	<u>429,123</u>	<u>429,123</u>
Expenditures:				
Construction Services	370,696	55,171	425,867	429,123
Total Expenditures	<u>370,696</u>	<u>55,171</u>	<u>425,867</u>	<u>429,123</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 58,427</u>	<u>\$ (55,171)</u>	<u>\$ 3,256</u>	<u>\$ - 0 -</u>
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	\$ 300,000			
Additional Authorization	\$ 129,123			
Change Orders	\$ - 0 -			
Revised Authorized Cost	\$ 429,123			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/24/18			
Revised Target Completion Date	02/01/20			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS CENTRAL AND MENDHAM HIGH SCHOOLS -  
MEDIA CENTER RENEWAL 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:				
Transfer from Capital Reserve	\$ 200,000	\$ (99,962)	\$ 100,038	\$ 100,038
Total Revenue and Other Financing Sources	<u>200,000</u>	<u>(99,962)</u>	<u>100,038</u>	<u>100,038</u>
Expenditures:				
Equipment	100,038		100,038	100,038
Total Expenditures	<u>100,038</u>	<u>- 0 -</u>	<u>100,038</u>	<u>100,038</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 99,962</u>	<u>\$ (99,962)</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>

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	\$ 200,000
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (99,962)
Revised Authorized Cost	\$ 100,038
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	06/30/18
Revised Target Completion Date	10/01/18

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS MENDHAM HIGH SCHOOL - FENCE 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:				
Transfer from Capital Reserve	\$ 25,121	\$ (11,351)	\$ 13,770	\$ 13,770
Total Revenue and Other Financing Sources	<u>25,121</u>	<u>(11,351)</u>	<u>13,770</u>	<u>13,770</u>
Expenditures:				
Equipment	<u>13,770</u>	<u></u>	<u>13,770</u>	<u>13,770</u>
Total Expenditures	<u>13,770</u>	<u>- 0 -</u>	<u>13,770</u>	<u>13,770</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 11,351</u>	<u>\$ (11,351)</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>

## 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	\$ 25,121
Change Orders	\$ - 0 -
Unexpended Balances Canceled	\$ (11,351)
Revised Authorized Cost	\$ 13,770
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/30/16
Revised Target Completion Date	12/30/16

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS CENTRAL HIGH SCHOOL - IRRIGATION SYSTEM PROJECT  
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:				
Transfer from Capital Reserve	\$ 24,000		\$ 24,000	\$ 24,000
Total Revenue and Other Financing Sources	24,000	\$ - 0 -	24,000	24,000
Expenditures:				
Construction Services		23,450	23,450	24,000
Total Expenditures	- 0 -	23,450	23,450	24,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 24,000	\$ (23,450)	\$ 550	\$ - 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	\$ 24,000			
Change Orders	\$ - 0 -			
Revised Authorized Cost	\$ 24,000			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	08/15/16			
Revised Target Completion Date	08/01/20			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS CENTRAL HIGH SCHOOL - POTABLE WATER SYSTEM UPGRADE 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	\$ 165,230		\$ 165,230	\$ 165,230
Transfer from Capital Reserve	284,699	\$ (36,854)	247,845	247,845
	<u>449,929</u>	<u>(36,854)</u>	<u>413,075</u>	<u>413,075</u>
Total Revenue and Other Financing Sources				
Expenditures:				
Purchased Professional and Technical Services	42,075		42,075	42,075
Construction Services	371,000		371,000	371,000
	<u>413,075</u>	<u>- 0 -</u>	<u>413,075</u>	<u>413,075</u>
Total Expenditures				
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 36,854</u>	<u>\$ (36,854)</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>
Additional Project Information:				
Project Numbers	5660-050-07-1000; 5660-030-14-1001			
Grant Date	March 31, 2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 620,968			
Change Orders	\$ - 0 -			
Unexpended Balances Canceled	\$ (207,893)			
Revised Authorized Cost	\$ 413,075			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	06/15/15			
Revised Target Completion Date	06/30/16			

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS MENDHAM HIGH SCHOOL - TURF FIELD PROJECT  
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:				
Transfer from Capital Reserve		\$ 1,045,015	\$ 1,045,015	\$ 1,045,015
Total Revenue and Other Financing Sources	\$ - 0 -	1,045,015	1,045,015	1,045,015
Expenditures:				
Construction Services		1,010,079	1,010,079	1,045,015
Total Expenditures	- 0 -	1,010,079	1,010,079	1,045,015
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 34,936	\$ 34,936	\$ - 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	\$ 1,045,015
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 1,045,015
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/15/19
Revised Target Completion Date	08/30/19



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS CENTRAL HIGH SCHOOL - SECURITY ENHANCEMENTS PROJECT  
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:				
Transfer from Capital Reserve	_____	\$ 187,780	\$ 187,780	\$ 187,780
Total Revenue and Other Financing Sources	\$ - 0 -	187,780	187,780	187,780
Expenditures:				
Construction Services	_____	157,389	157,389	187,780
Total Expenditures	- 0 -	157,389	157,389	187,780
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 30,391	\$ 30,391	\$ - 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	\$ 187,780
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 187,780
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/01/19
Revised Target Completion Date	08/01/19

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
WEST MORRIS MENDHAM HIGH SCHOOL - SECURITY ENHANCEMENTS PROJECT  
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:				
Transfer from Capital Reserve		\$ 161,220	\$ 161,220	\$ 161,220
Total Revenue and Other Financing Sources	\$ - 0 -	161,220	161,220	161,220
Expenditures:				
Construction Services		94,100	94,100	161,220
Total Expenditures	- 0 -	94,100	94,100	161,220
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ - 0 -	\$ 67,120	\$ 67,120	\$ - 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	\$ 161,220
Change Orders	\$ - 0 -
Revised Authorized Cost	\$ 161,220
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	08/01/19
Revised Target Completion Date	08/01/19

PROPRIETARY FUNDS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2020

## ASSETS:

## Current Assets:

Cash and Cash Equivalents	\$ 70,403
Inventories	22,360
Other Accounts Receivable	13,438

Total Current Assets	<u>106,201</u>
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## Non-Current Assets:

Capital Assets	152,944
Less: Accumulated Depreciation	<u>(136,797)</u>

Total Non-Current Assets	<u>16,147</u>
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Total Assets	<u>122,348</u>
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## LIABILITIES:

## Current Liabilities:

Accounts Payable - Vendors	100
Interfund Payable - General Fund	8,315
Unearned Revenue	32,300

Total Current Liabilities	<u>40,715</u>
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## Non-Current Liabilities:

Accrued Compensated Absences Payable	<u>5,000</u>
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Total Non-Current Liabilities	<u>5,000</u>
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Total Liabilities	<u>45,715</u>
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## NET POSITION:

Investment in Capital Assets	16,147
Unrestricted	<u>60,486</u>

Total Net Position	<u>\$ 76,633</u>
--------------------	------------------

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Operating Revenue:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 559,815
Special Events	2,434
	<hr/>
Total Operating Revenue	562,249
	<hr/>
Operating Expenses:	
Cost of Sales - Non-Reimbursable Programs	244,277
Salaries, Benefits & Payroll Taxes	210,393
Supplies, Insurance & Other Costs	83,284
Depreciation Expense	3,501
	<hr/>
Total Operating Expenses	541,455
	<hr/>
Operating Income	20,794
	<hr/>
Non-Operating Revenue:	
Interest Income	247
	<hr/>
Total Non-Operating Revenue	247
	<hr/>
Change in Net Position Before Transfers	21,041
	<hr/>
Transfer Out - Return of Prior Year Board Contribution	(15,265)
	<hr/>
Change in Net Position After Transfers	5,776
	<hr/>
Net Position - Beginning of Year	70,857
	<hr/>
Net Position - End of Year	\$ 76,633
	<hr/> <hr/>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 575,306
Payments to Employees	(189,288)
Payments to Suppliers	(378,368)
	<hr/>
Net Cash Provided by Operating Activities	7,650
	<hr/>
Cash Flows from Non-Capital Financing Activities:	
Transfer Out - Return of Prior Year Board Contribution	(15,265)
	<hr/>
Net Cash Provided by/(Used for) Non-Capital Financing Activities	(15,265)
	<hr/>
Cash Flows from Investing Activities:	
Interest Income	247
	<hr/>
Net Cash Provided by Investing Activities	247
	<hr/>
Net Increase/(Decrease) in Cash and Cash Equivalents	(7,368)
	<hr/>
Cash and Cash Equivalents, July 1	77,771
	<hr/>
Cash and Cash Equivalents, June 30	\$ 70,403
	<hr/> <hr/>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 20,794
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	3,501
Changes in Assets and Liabilities:	
(Increase) in Inventory	(11,094)
(Increase) in Accounts Receivable	(11,880)
Decrease in Interfund Receivable	12,790
(Decrease) in Accounts Payable	(27,833)
Increase in Interfund Payable	8,315
Increase in Unearned Revenue	13,057
	<hr/>
Net Cash Provided by Operating Activities	\$ 7,650
	<hr/> <hr/>

FIDUCIARY FUNDS

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2020

	Student Activities	Payroll Agency	Laptop Replacement Agency	Total Agency	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Flexible Benefits Trust	Totals
<b>ASSETS:</b>								
Cash and Cash Equivalents	\$ 323,129	\$ 263,594	\$ 321,245	\$ 907,968	\$ 135,913	\$ 53,517	\$ 33,489	\$ 1,130,887
Total Assets	323,129	263,594	321,245	907,968	135,913	53,517	33,489	1,130,887
<b>LIABILITIES:</b>								
Payroll Deductions and Withholdings Due to Student Groups	323,129	263,594		263,594				263,594
Laptop Replacement Costs			321,245	321,245				323,129
Total Liabilities	323,129	263,594	321,245	907,968				321,245
<b>NET POSITION:</b>								
Held in Trust for:								
Unemployment Claims					135,913			135,913
Scholarships						53,517		53,517
Flexible Benefits Claims							33,489	33,489
Total Net Position	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 135,913	\$ 53,517	\$ 33,489	\$ 222,919



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Unemployment Compensation Trust	Private Purpose Scholarship Trust	Flexible Benefits Trust	Totals
<b>ADDITIONS:</b>				
Contributions:				
Employee	\$ 37,661		\$ 43,000	\$ 80,661
Donations		\$ 18,000		18,000
Total Contributions	37,661	18,000	43,000	98,661
Investment Earnings:				
Interest	278	723		1,001
Net Investment Earnings	278	723		1,001
Total Additions	37,939	18,723	43,000	99,662
<b>DEDUCTIONS:</b>				
Unemployment Compensation				
Claims	30,043			30,043
Scholarships Awarded		24,300		24,300
Flexible Benefits Claims			38,977	38,977
Total Deductions	30,043	24,300	38,977	93,320
Change in Net Position	7,896	(5,577)	4,023	6,342
Net Position - Beginning of the Year	128,017	59,094	29,466	216,577
Net Position - End of the Year	<u>\$ 135,913</u>	<u>\$ 53,517</u>	<u>\$ 33,489</u>	<u>\$ 222,919</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITIES AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 334,475	\$ 559,985	\$ 571,331	\$ 323,129
Total Assets	<u>\$ 334,475</u>	<u>\$ 559,985</u>	<u>\$ 571,331</u>	<u>\$ 323,129</u>
 <b>LIABILITIES:</b>				
Due to Student Groups	\$ 334,475	\$ 559,985	\$ 571,331	\$ 323,129
Total Liabilities	<u>\$ 334,475</u>	<u>\$ 559,985</u>	<u>\$ 571,331</u>	<u>\$ 323,129</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
STUDENT ACTIVITIES AGENCY FUND  
STATEMENT OF ACTIVITY

	<u>Balance</u> <u>July 1, 2019</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2020</u>
Senior High Schools:				
West Morris Central and Mendham	<u>\$ 334,475</u>	<u>\$ 559,985</u>	<u>\$ 571,331</u>	<u>\$ 323,129</u>
Total All Schools	<u><u>\$ 334,475</u></u>	<u><u>\$ 559,985</u></u>	<u><u>\$ 571,331</u></u>	<u><u>\$ 323,129</u></u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PAYROLL AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 361,439	\$ 32,216,235	\$ 32,314,080	\$ 263,594
Total Assets	<u>\$ 361,439</u>	<u>\$ 32,216,235</u>	<u>\$ 32,314,080</u>	<u>\$ 263,594</u>
 <b>LIABILITIES:</b>				
Interfund Payable:				
Unemployment Compensation Trust Fund	\$ 111,689		\$ 111,689	
Payroll Deductions and Withholdings	<u>249,750</u>	<u>\$ 32,216,235</u>	<u>32,202,391</u>	<u>\$ 263,594</u>
Total Liabilities	<u>\$ 361,439</u>	<u>\$ 32,216,235</u>	<u>\$ 32,314,080</u>	<u>\$ 263,594</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
LAPTOP REPLACEMENT AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<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	\$ 225,741	\$ 98,210	\$ 2,706	\$ 321,245
Total Assets	<u>\$ 225,741</u>	<u>\$ 98,210</u>	<u>\$ 2,706</u>	<u>\$ 321,245</u>
 <u>LIABILITIES:</u>				
Laptop Replacement Costs	\$ 225,741	\$ 98,210	\$ 2,706	\$ 321,245
Total Liabilities	<u>\$ 225,741</u>	<u>\$ 98,210</u>	<u>\$ 2,706</u>	<u>\$ 321,245</u>

LONG-TERM DEBT

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Interest Rate	Balance June 30, 2019	Matured	Balance June 30, 2020
			Date	June 30, 2020 Amount	Outstanding				
Refunding School Bonds	11/29/11	\$ 17,850,000	5/1/21	\$ 1,815,000		4.00%			
			5/1/21	70,000		5.00%			
			5/1/22	1,000,000		4.50%			
			5/1/22	960,000		5.50%			
			5/1/23	1,000,000		4.50%			
			5/1/23	1,055,000		5.50%			
		5/1/24	1,100,000		4.50%				
		5/1/24	1,050,000		5.50%				
						\$ 9,855,000	\$ 1,805,000	\$ 8,050,000	
						\$ 9,855,000	\$ 1,805,000	\$ 8,050,000	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2019</u>	<u>Issued</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2020</u>
Classroom Technology Equipment	1.6992%	\$ 501,168	\$ 167,508		\$ 167,508	
Turf Field and Field Lighting	3.0731%	448,810	358,923		358,923	
Energy Savings Improvement Program	3.25%	3,246,767	3,056,767		275,000	\$ 2,781,767
Classroom Technology Equipment	2.8519%	727,911	545,806		176,808	368,998
Classroom Technology Equipment and Loader	2.17%	311,617		\$ 311,617	62,000	249,617
Buses and Truck	2.2668%	255,245		255,245	50,000	205,245
			<u>\$ 4,129,004</u>	<u>\$ 566,862</u>	<u>\$ 1,090,239</u>	<u>\$ 3,605,627</u>



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 2,270,250		\$ 2,270,250	\$ 2,270,250	
Total Revenue	2,270,250		2,270,250	2,270,250	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	465,250		465,250	465,250	
Redemption of Principal	1,805,000		1,805,000	1,805,000	
Total Regular Debt Service	2,270,250		2,270,250	2,270,250	
Total Expenditures	2,270,250		2,270,250	2,270,250	
Excess of Revenue Over 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**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b> 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
<b>Revenue Capacity</b> 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
<b>Debt Capacity</b> 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
<b>Demographic and Economic Information</b> 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
<b>Operating Information</b> 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.

WEST MORRIS REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2016	2017	2018	2019	2020
Governmental Activities:					
Net Investment in Capital Assets	\$ 35,713,071	\$ 37,775,826	\$ 35,979,627	\$ 40,490,868	\$ 42,372,781
Restricted	5,489,939	6,792,605	7,803,701	7,109,764	8,249,051
Unrestricted/(Deficit)	(10,251,581)	(11,507,492)	(8,774,509)	(10,714,005)	(11,219,673)
<b>Total Governmental Activities Net Position</b>	<b>\$ 30,951,429</b>	<b>\$ 33,060,939</b>	<b>\$ 35,008,819</b>	<b>\$ 36,886,627</b>	<b>\$ 39,402,159</b>
Business-Type Activities:					
Investment in Capital Assets	\$ 27,555	\$ 22,962	\$ 21,473	\$ 19,648	\$ 16,147
Unrestricted	21,321	22,067	19,550	51,209	60,486
<b>Total Business-Type Activities Net Position</b>	<b>\$ 48,876</b>	<b>\$ 45,029</b>	<b>\$ 41,023</b>	<b>\$ 70,857</b>	<b>\$ 76,633</b>
District-Wide:					
Net Investment in Capital Assets	\$ 35,740,626	\$ 37,798,788	\$ 36,001,100	\$ 40,510,516	\$ 42,388,928
Restricted	5,489,939	6,792,605	7,803,701	7,109,764	8,249,051
Unrestricted/(Deficit)	(10,230,260)	(11,485,425)	(8,754,959)	(10,662,796)	(11,159,187)
<b>Total District-Wide Net Position</b>	<b>\$ 31,000,305</b>	<b>\$ 33,105,968</b>	<b>\$ 35,049,842</b>	<b>\$ 36,957,484</b>	<b>\$ 39,478,792</b>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2011	2012	2013	2014	2015
Governmental Activities:					
Net Investment in Capital Assets	\$ 34,172,996	\$ 35,216,299	\$ 34,748,348	\$ 34,368,305	\$ 34,396,725
Restricted	6,155,345	5,542,469	6,253,644	6,439,065	5,244,474
Unrestricted/(Deficit)	(1,050,077)	(1,020,465)	(1,263,420)	(10,448,680)	(8,660,307)
<b>Total Governmental Activities Net Position</b>	<b>\$ 39,278,264</b>	<b>\$ 39,738,303</b>	<b>\$ 39,738,572</b>	<b>\$ 30,358,690</b>	<b>\$ 30,980,892</b>
Business-Type Activities:					
Investment in Capital Assets	\$ 57,593	\$ 50,920	\$ 44,247	\$ 38,034	\$ 32,541
Unrestricted	15,519	5,564			16,110
<b>Total Business-Type Activities Net Position</b>	<b>\$ 73,112</b>	<b>\$ 56,484</b>	<b>\$ 44,247</b>	<b>\$ 38,034</b>	<b>\$ 48,651</b>
District-Wide:					
Net Investment in Capital Assets	\$ 34,230,589	\$ 35,267,219	\$ 34,792,595	\$ 34,406,339	\$ 34,429,266
Restricted	6,155,345	5,542,469	6,253,644	6,439,065	5,244,474
Unrestricted/(Deficit)	(1,034,558)	(1,014,901)	(1,263,420)	(10,448,680)	(8,644,197)
<b>Total District-Wide Net Position</b>	<b>\$ 39,351,376</b>	<b>\$ 39,794,787</b>	<b>\$ 39,782,819</b>	<b>\$ 30,396,724</b>	<b>\$ 31,029,543</b>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Accrual Basis of Accounting)

Expenses:	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Governmental Activities:					
Instruction:					
Regular	\$ 26,287,983	\$ 28,124,143	\$ 27,287,001	\$ 26,692,095	\$ 25,355,368
Special Education	5,086,659	5,023,866	5,208,030	5,021,062	5,056,548
Other Instruction	3,837,507	3,813,738	4,313,690	3,801,939	3,854,268
Support Services:					
Tuition	3,674,161	4,004,449	3,966,700	3,794,789	4,825,985
Student and Instruction Related Service	8,170,208	9,458,104	9,639,764	8,631,567	8,335,870
General Administration Services	1,007,236	1,008,933	1,076,809	1,082,688	1,075,116
School Administration Services	3,079,417	3,236,507	3,224,906	3,059,432	3,010,431
Central Services	569,971	605,852	606,281	604,359	620,695
Administrative Information Technology	858,061	683,203	596,194	519,913	654,804
Plant Operations and Maintenance	3,520,619	3,810,907	4,195,645	4,336,243	4,120,195
Pupil Transportation	3,313,190	3,486,250	3,487,483	3,918,831	4,364,495
Interest on Long-Term Debt	668,437	590,665	524,744	450,269	383,235
Unallocated Depreciation	1,960,634	2,067,011	2,119,788	2,238,163	2,297,026
Total Governmental Activities Expenses	<u>62,034,083</u>	<u>65,913,628</u>	<u>66,247,035</u>	<u>64,151,350</u>	<u>63,954,036</u>
Business-Type Activities:					
Enterprise Funds	579,674	569,042	587,218	625,422	541,455
Total Business-Type Activities Expense	<u>579,674</u>	<u>569,042</u>	<u>587,218</u>	<u>625,422</u>	<u>541,455</u>
Total District-Wide Expenses	<u>\$ 62,613,757</u>	<u>\$ 66,482,670</u>	<u>\$ 66,834,253</u>	<u>\$ 64,776,772</u>	<u>\$ 64,495,491</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 120,688	\$ 226,239	\$ 274,918	\$ 274,918	\$ 263,876
Operating Grants and Contributions	16,008,812	19,796,280	19,998,923	16,962,186	16,744,613
Capital Grants and Contributions		824,516	14,411	23,120	44,812
Total Governmental Activities	<u>16,129,500</u>	<u>20,847,035</u>	<u>20,288,252</u>	<u>17,260,224</u>	<u>17,053,301</u>
Business-Type Activities:					
Charges for Services:					
Enterprise Funds	546,202	531,618	572,320	683,675	562,249
Total Business Type Activities	<u>546,202</u>	<u>531,618</u>	<u>572,320</u>	<u>683,675</u>	<u>562,249</u>
Total District-Wide Program Revenues	<u>\$ 16,675,702</u>	<u>\$ 21,378,653</u>	<u>\$ 20,860,572</u>	<u>\$ 17,943,899</u>	<u>\$ 17,615,550</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Net (Expense)/Revenue:					
Governmental Activities	\$ (45,904,583)	\$ (45,066,593)	\$ (45,958,783)	\$ (46,891,126)	\$ (46,900,735)
Business-Type Activities	(33,472)	(37,424)	(14,898)	58,253	20,794
<b>Total District-Wide Net Expense/(Revenue)</b>	<b>\$ (45,938,055)</b>	<b>\$ (45,104,017)</b>	<b>\$ (45,973,681)</b>	<b>\$ (46,832,873)</b>	<b>\$ (46,879,941)</b>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 41,620,275	\$ 42,763,310	\$ 43,618,576	\$ 44,490,948	\$ 45,269,541
Taxes Levied for Debt Service	2,271,050	2,264,800	2,266,000	2,269,475	2,270,250
Federal and State Aid Not Restricted	1,328,846	1,341,965	1,264,103	895,450	856,184
Investment Earnings	37,385	42,898	86,444	207,487	118,170
Miscellaneous Income	617,564	763,130	674,581	876,853	886,857
Transfers			(3,041)	28,721	15,265
<b>Total Governmental Activities</b>	<b>45,875,120</b>	<b>47,176,103</b>	<b>47,906,663</b>	<b>48,768,934</b>	<b>49,416,267</b>
Business-Type Activities:					
Investment Earnings	180	282	600	302	247
Transfers			3,041	(28,721)	(15,265)
Other Item - FSMC Contribution	33,517	33,295	7,251		
<b>Total Business-Type Activities</b>	<b>33,697</b>	<b>33,577</b>	<b>10,892</b>	<b>(28,419)</b>	<b>(15,018)</b>
<b>Total District-Wide Revenues &amp; Other Changes in Net Position</b>	<b>\$ 45,908,817</b>	<b>\$ 47,209,680</b>	<b>\$ 47,917,555</b>	<b>\$ 48,740,515</b>	<b>\$ 49,401,249</b>
Change in Net Position					
Governmental Activities	\$ (29,463)	\$ 2,109,510	\$ 1,947,880	\$ 1,877,808	\$ 2,515,532
Business-Type Activities	225	(3,847)	(4,006)	29,834	5,776
<b>Total District-Wide Change in Net Position</b>	<b>\$ (29,238)</b>	<b>\$ 2,105,663</b>	<b>\$ 1,943,874</b>	<b>\$ 1,907,642</b>	<b>\$ 2,521,308</b>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Accrual Basis of Accounting)

Expenses:	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Governmental Activities:					
Instruction:					
Regular	\$ 20,223,962	\$ 21,212,035	\$ 21,984,326	\$ 21,969,083	\$ 24,814,290
Special Education	3,418,895	3,539,992	3,781,193	3,809,040	4,306,828
Other Special Instruction					
Other Instruction	2,905,464	2,944,887	3,055,851	3,088,277	3,508,063
Support Services:					
Tuition	2,959,570	2,930,014	2,547,951	2,803,150	3,300,090
Student & Instruction Related Services	6,125,142	5,973,399	6,457,607	6,219,532	7,608,338
General Administration Services	942,224	970,327	977,377	1,112,496	991,618
School Administration Services	2,013,144	2,098,282	2,543,345	2,361,168	2,550,334
Central Services	532,619	527,544	548,817	562,932	566,463
Administrative Information Technology	618,921	638,576	729,339	865,858	835,980
Plant Operations and Maintenance	3,631,588	3,208,073	3,381,931	3,612,729	3,667,203
Pupil Transportation	2,680,860	2,858,984	2,770,169	3,153,997	3,299,484
Interest on Long-Term Debt	1,084,793	877,167	863,136	783,095	721,298
Unallocated Depreciation	1,883,717	1,901,655	1,929,377	1,932,450	1,946,031
Total Governmental Activities Expenses	<u>49,020,899</u>	<u>49,680,935</u>	<u>51,570,419</u>	<u>52,273,807</u>	<u>58,116,020</u>
Business-Type Activities:					
Enterprise Funds	737,661	754,356	780,390	707,857	640,492
Total Business-Type Activities Expense	<u>737,661</u>	<u>754,356</u>	<u>780,390</u>	<u>707,857</u>	<u>640,492</u>
Total District-Wide Expenses	<u>\$ 49,758,560</u>	<u>\$ 50,435,291</u>	<u>\$ 52,350,809</u>	<u>\$ 52,981,664</u>	<u>\$ 58,756,512</u>
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Tuition	\$ 65,086	\$ 80,419	\$ 42,269	\$ 80,615	\$ 73,169
Operating Grants and Contributions	6,726,130	7,460,240	8,391,960	7,939,395	13,529,836
Capital Grants and Contributions	276,036	117,776	39,222	(795)	155,800
Total Governmental Activities	<u>7,067,252</u>	<u>7,658,435</u>	<u>8,473,451</u>	<u>8,019,215</u>	<u>13,758,805</u>
Business-Type Activities:					
Charges for Services:					
Enterprise Funds	746,384	774,394	737,156	655,801	616,779
Total Business Type Activities	<u>746,384</u>	<u>774,394</u>	<u>737,156</u>	<u>655,801</u>	<u>616,779</u>
Total District-Wide Program Revenues	<u>\$ 7,813,636</u>	<u>\$ 8,432,829</u>	<u>\$ 9,210,607</u>	<u>\$ 8,675,016</u>	<u>\$ 14,375,584</u>

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Net (Expense)/Revenue:					
Governmental Activities	\$ (41,953,647)	\$ (42,022,500)	\$ (43,096,968)	\$ (44,254,592)	\$ (44,357,215)
Business-Type Activities	8,723	20,038	(43,234)	(52,056)	(23,713)
<b>Total District-Wide Net Expense/(Revenue)</b>	<b>\$ (41,944,924)</b>	<b>\$ (42,002,462)</b>	<b>\$ (43,140,202)</b>	<b>\$ (44,306,648)</b>	<b>\$ (44,380,928)</b>
General Revenues & Other Changes in Net Position:					
Governmental Activities:					
Property Taxes Levied for General Purposes, Net	\$ 38,638,243	\$ 38,638,243	\$ 39,285,434	\$ 40,071,143	\$ 40,804,192
Taxes Levied for Debt Service	2,374,400	2,373,181	2,318,238	2,229,437	2,273,550
Federal and State Aid Not Restricted	785,096	1,034,537	1,259,537	1,272,751	1,323,519
Investment Earnings	24,465	18,444	14,119	21,072	21,863
Miscellaneous Income	608,237	381,383	455,121	378,413	556,293
Transfers	(36,751)	36,751	(30,930)	(15,265)	
<b>Total Governmental Activities</b>	<b>42,393,690</b>	<b>42,482,539</b>	<b>43,301,519</b>	<b>43,957,551</b>	<b>44,979,417</b>
Business-Type Activities:					
Investment Earnings	123	85	67	87	91
Transfers	36,751	(36,751)	30,930	45,756	34,239
<b>Total Business-Type Activities</b>	<b>36,874</b>	<b>(36,666)</b>	<b>30,997</b>	<b>45,843</b>	<b>34,330</b>
<b>Total District-Wide Revenues &amp; Other Changes in Net Position</b>	<b>\$ 42,430,564</b>	<b>\$ 42,445,873</b>	<b>\$ 43,332,516</b>	<b>\$ 44,003,394</b>	<b>\$ 45,013,747</b>
Change in Net Position					
Governmental Activities	\$ 440,043	\$ 460,039	\$ 204,551	\$ (297,041)	\$ 622,202
Business-Type Activities	45,597	(16,628)	(12,237)	(6,213)	10,617
<b>Total District-Wide Change in Net Position</b>	<b>\$ 485,640</b>	<b>\$ 443,411</b>	<b>\$ 192,314</b>	<b>\$ (303,254)</b>	<b>\$ 632,819</b>

Source: West Morris Regional High School District records.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(Modified Accrual Basis of Accounting)*

	June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Restricted	\$ 4,675,926	\$ 4,781,239	\$ 6,165,875	\$ 6,439,065	\$ 5,244,474	\$ 5,489,939	\$ 6,792,605	\$ 7,803,701	\$ 7,109,764	\$ 8,249,051
Assigned	371,557	829,696	845,946	277,124	440,239	456,931	628,992	829,360	1,222,312	573,378
Unassigned	875,180	754,510	768,610	859,501	943,630	1,033,138	1,005,975	995,068	1,225,686	1,239,327
<b>Total General Fund</b>	<b>\$ 5,922,663</b>	<b>\$ 6,365,445</b>	<b>\$ 7,780,431</b>	<b>\$ 7,575,690</b>	<b>\$ 6,628,343</b>	<b>\$ 6,980,008</b>	<b>\$ 8,427,572</b>	<b>\$ 9,628,129</b>	<b>\$ 9,557,762</b>	<b>\$ 10,061,756</b>
Other Governmental Funds:										
Committed	\$ 824,753	\$ 292,280	\$ 182,598	\$ 425,955	\$ 1,537,387	\$ 1,156,103	\$ 129,433	\$ 2,921,883	\$ 335,407	\$ 136,253
Restricted	654,666	742,435	87,769							
<b>Total Other Governmental Funds</b>	<b>\$ 1,479,419</b>	<b>\$ 1,034,715</b>	<b>\$ 270,367</b>	<b>\$ 425,955</b>	<b>\$ 1,537,387</b>	<b>\$ 1,156,103</b>	<b>\$ 129,433</b>	<b>\$ 2,921,883</b>	<b>\$ 335,407</b>	<b>\$ 136,253</b>
<b>Total Governmental Funds</b>	<b>\$ 7,402,082</b>	<b>\$ 7,400,160</b>	<b>\$ 8,050,798</b>	<b>\$ 8,001,645</b>	<b>\$ 8,165,730</b>	<b>\$ 8,136,111</b>	<b>\$ 8,557,005</b>	<b>\$ 12,550,012</b>	<b>\$ 9,893,169</b>	<b>\$ 10,198,009</b>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
<b>Revenues:</b>										
Tax Levy	\$ 41,012,643	\$ 41,011,424	\$ 41,603,672	\$ 42,300,580	\$ 43,077,742	\$ 43,891,325	\$ 45,028,110	\$ 45,884,576	\$ 46,760,423	\$ 47,539,791
Tuition Charges	65,086	80,419	42,269	80,615	73,169	120,688	226,239	263,007	274,918	263,876
Interest Earned on Investments	16,037	15,813	12,075	16,564	17,621	30,688	36,818	75,533	143,494	164,300
Interest Earned on Capital Reserve Funds	8,428	2,405	1,704	1,975	1,617	1,929	2,236	7,017	26,339	6,677
Interest Earned on Maintenance Reserve Funds		226	340	2,533	2,625	4,769	3,786	3,823	6,554	5,410
Miscellaneous	623,983	387,899	434,729	400,923	589,790	648,384	805,990	688,152	947,463	875,587
State Sources	6,836,911	7,936,175	8,930,709	8,633,141	9,472,191	10,175,935	11,246,569	11,298,359	12,023,390	12,177,242
Federal Sources	934,605	669,862	738,441	555,700	565,267	555,798	563,470	424,125	553,662	636,631
<b>Total Revenue</b>	<b>49,497,693</b>	<b>50,104,223</b>	<b>51,763,939</b>	<b>51,992,031</b>	<b>53,800,022</b>	<b>55,429,516</b>	<b>57,913,218</b>	<b>58,644,592</b>	<b>60,736,243</b>	<b>61,669,514</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	15,003,208	15,597,634	15,637,831	15,811,116	15,490,130	15,697,450	15,100,661	14,867,539	15,346,206	14,979,177
Special Education Instruction	2,571,918	2,592,282	2,705,921	2,731,114	2,645,917	3,016,121	2,718,031	2,829,147	2,904,968	2,950,535
Other Instruction	2,235,421	2,245,001	2,261,447	2,291,024	2,285,678	2,377,362	2,167,330	2,328,808	2,385,308	2,421,648
<b>Support Services:</b>										
Tuition	2,959,570	2,930,014	2,547,951	2,803,150	3,300,090	3,674,161	4,004,449	3,966,700	3,794,789	4,825,985
Student and Instruction Related Services	4,614,821	4,527,243	4,671,352	4,542,457	4,897,689	5,156,775	5,455,988	5,535,316	5,512,822	5,280,412
General Administration Services	846,592	871,751	873,782	1,002,854	889,528	894,256	891,625	971,292	957,863	975,467
School Administration Services	1,534,665	1,539,499	1,796,106	1,631,257	1,663,484	1,734,588	1,742,234	1,755,462	1,758,902	1,763,419
Central Services	444,115	441,597	461,963	453,434	454,065	459,489	482,611	496,030	490,657	507,939
Administrative Information Technology	443,472	443,606	520,056	679,835	664,752	672,822	522,264	463,824	333,301	391,880
Plant Operations and Maintenance	3,117,606	2,761,839	2,892,073	3,109,468	3,167,809	2,972,604	3,300,249	3,621,086	3,931,266	3,816,875
Pupil Transportation	2,611,165	2,779,232	2,688,297	3,072,734	3,250,246	3,220,094	3,408,620	3,417,677	3,843,521	4,256,053

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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
Expenditures:										
Unallocated Benefits	\$ 9,230,522	\$ 9,973,938	\$ 11,339,066	\$ 11,144,672	\$ 11,787,867	\$ 12,476,212	\$ 12,442,539	\$ 12,935,660	\$ 14,011,697	\$ 13,931,559
Debt Service:										
Principal	1,285,000	1,340,000	1,395,000	1,455,000	1,475,000	1,525,000	1,595,000	1,660,000	1,740,000	1,805,000
Interest and Other Charges	1,089,400	945,412	923,238	862,206	798,550	746,050	669,800	606,000	529,475	465,250
Capital Outlay	964,158	1,153,848	410,249	435,598	1,101,533	836,151	2,990,923	2,941,938	7,057,753	3,426,523
Total Expenditures	48,951,633	50,142,896	51,124,332	52,025,919	53,852,338	55,459,135	57,492,324	58,396,479	64,598,528	61,797,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	546,060	(38,673)	639,607	(33,888)	(52,316)	(29,619)	420,894	248,113	(3,862,285)	(128,208)
Other Financing Sources (Uses)					216,401			501,168	727,911	566,862
Capital Leases (Non-Budgeted)								3,246,767	448,810	(149,079)
Capital Lease Proceeds			41,961							
Superstorm Sandy Insurance Claims		36,751	1,257,985	573,161	1,455,477	153,496	445,179	910,071	2,343,143	1,643,508
Transfers In			(1,288,915)	(588,426)	(1,455,477)	(153,496)	(445,179)	(913,112)	(2,314,422)	(1,628,243)
Transfers Out		36,751	11,031	(15,265)	216,401			3,744,894	1,205,442	433,048
Total Other Financing Sources (Uses)										
Net Change in Fund Balances	\$ 546,060	\$ (1,922)	\$ 650,638	\$ (49,153)	\$ 164,085	\$ (29,619)	\$ 420,894	\$ 3,993,007	\$ (2,656,843)	\$ 304,840
Debt Service as a Percentage of Noncapital Expenditures	4.95%	4.67%	4.57%	4.49%	4.31%	4.15%	4.15%	4.06%	3.87%	3.82%

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(Modified Accrual Basis of Accounting)*

Fiscal Year Ended June 30,	Tuition	Interest on Investments	Rentals - Use of Facilities	Other	Total
2011	\$ 65,086	\$ 23,257	\$ 23,230	\$ 585,007	\$ 696,580
2012	80,419	18,093	25,778	355,605	479,895
2013	42,269	13,817	26,870	386,290	469,246
2014	80,615	21,069	35,292	343,121	480,097
2015	73,169	21,855	66,602	489,691	651,317
2016	120,688	37,379	105,777	511,787	775,631
2017	226,239	42,840	50,475	712,655	1,032,209
2018	263,007	86,373	82,775	591,806	1,023,961
2019	274,918	176,387	66,965	809,888	1,328,158
2020	263,876	117,213	10,046	876,811	1,267,946

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN YEARS  
UNAUDITED

Chester Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2010	\$ 4,875,000	\$ 213,961,800	\$ 1,173,400	\$ 51,200	\$ 165,600,100	\$ -	\$ -	\$ 387,575,600	\$ 1,705,656	\$ 389,281,256	\$ 41,793,800	\$ 0.36	\$ 468,704,509
2011	4,445,100	213,716,600	1,167,400	53,400	158,600,100	-	-	379,823,400	8,165	379,831,565	41,180,500	0.35	440,171,759
2012	3,863,100	215,325,700	1,173,600	55,800	155,431,300	-	-	377,687,200	-	377,687,200	41,151,200	0.38	416,711,405
2013	3,369,700	207,567,300	1,160,100	55,800	155,137,100	-	-	369,085,300	-	369,085,300	40,893,000	0.40	402,175,524
2014	3,114,800	214,814,100	1,180,100	55,800	156,563,800	-	-	377,577,700	-	377,577,700	41,616,200	0.40	387,561,161
2015	3,114,800	219,171,300	1,050,100	56,000	153,604,100	-	-	378,882,600	-	378,882,600	42,395,400	0.49	420,032,831
2016	3,240,300	227,449,100	1,103,100	56,600	164,299,800	-	-	396,148,900	-	396,148,900	44,611,500	0.48	390,553,627
2017	3,165,300	227,107,400	1,098,300	56,600	168,664,100	-	-	400,091,700	-	400,091,700	44,456,000	0.47	401,322,238
2018	3,880,300	229,846,900	976,500	56,600	166,399,800	-	-	401,160,100	-	401,160,100	44,706,800	0.52	390,482,174
2019	3,346,800	227,975,900	977,000	56,600	164,343,300	-	-	398,356,400	-	398,356,400	43,860,700	0.53	386,693,610

Chester Township

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2010	\$ 19,506,100	\$ 1,676,536,800	\$ 90,749,200	\$ 1,226,400	\$ 49,247,800	\$ 3,908,600	\$ 835,200	\$ 1,842,010,100	\$ 2,190,835	\$ 1,844,200,935	\$ 230,758,700	\$ 0.50	\$ 2,159,919,381
2011	18,576,400	1,670,362,000	91,688,600	1,227,800	49,731,900	3,908,600	835,200	1,836,330,500	2,179,636	1,838,510,136	230,806,900	0.51	2,063,339,316
2012	16,979,400	1,668,358,200	89,086,500	1,213,200	49,761,800	3,908,600	835,200	1,830,142,900	2,310,658	1,832,453,558	231,185,900	0.52	2,003,040,867
2013	14,619,500	1,664,309,100	88,383,100	1,228,000	48,990,700	2,469,700	835,200	1,820,835,300	442,529	1,821,277,829	232,195,400	0.55	1,917,321,277
2014	13,704,800	1,663,455,100	88,665,800	1,224,900	48,804,500	2,469,700	835,200	1,819,160,000	372,270	1,819,532,270	234,237,700	0.56	1,894,076,792
2015	13,628,900	1,664,376,400	87,702,100	1,241,000	47,568,100	2,543,100	835,200	1,817,894,800	373,557	1,818,268,357	235,597,400	0.55	1,873,066,565
2016	12,701,600	1,669,012,300	87,901,300	1,302,000	47,594,400	2,543,100	835,200	1,821,889,900	351,836	1,822,241,736	236,678,600	0.57	1,900,570,563
2017	12,608,600	1,676,159,700	88,503,500	1,301,700	47,379,800	2,543,100	835,200	1,829,331,600	358,200	1,829,689,800	235,706,700	0.56	1,900,814,522
2018	12,175,700	1,679,019,100	83,877,300	1,298,100	47,009,900	2,543,100	835,200	1,826,758,400	375,919	1,827,134,319	254,511,400	0.56	1,906,637,867
2019	11,492,800	1,677,775,800	85,274,600	1,309,700	47,652,600	2,543,100	835,200	1,826,863,800	400,440	1,827,264,240	254,511,400	0.57	1,917,551,952

Mendham Borough

Year Ended December 31,	Vacant Land	Residential	Farm (Regular)	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2010	\$ 8,597,900	\$ 1,115,381,900	\$ 55,967,800	\$ 334,900	\$ 110,848,900	\$ -	\$ -	\$ 1,293,473,600	\$ 3,191,011	\$ 1,296,664,611	\$ 123,773,600	\$ 0.48	\$ 1,511,328,993
2011	7,898,100	1,105,338,700	63,764,800	378,500	109,617,500	-	-	1,289,339,800	2,300,875	1,291,640,675	123,773,600	0.47	1,410,302,723
2012	7,384,900	1,101,185,800	66,422,700	394,600	109,079,300	-	-	1,286,809,500	2,300,875	1,289,110,375	123,773,600	0.47	1,377,289,533
2013	7,771,700	1,097,277,400	66,897,700	397,100	105,202,000	-	-	1,279,888,100	2,287,733	1,282,175,833	124,763,600	0.48	1,354,282,340
2014	8,207,800	1,100,795,200	66,843,500	400,500	103,997,100	-	-	1,282,586,300	1,927,735	1,284,514,035	124,763,600	0.52	1,361,837,683
2015	9,745,800	1,097,432,700	69,620,400	403,900	102,337,700	-	-	1,281,882,700	1,927,735	1,283,810,435	124,865,000	0.53	1,403,066,919
2016	9,704,800	1,096,676,700	69,686,700	403,900	102,337,700	-	-	1,281,152,000	1,954,098	1,283,106,098	125,425,900	0.55	1,370,993,717
2017	9,704,800	1,096,803,000	69,563,800	403,900	101,655,100	-	-	1,280,472,800	1,939,588	1,282,412,388	124,867,500	0.57	1,377,174,538
2018	8,769,600	1,098,793,700	69,130,100	351,800	101,575,300	-	-	1,280,962,700	2,007,273	1,282,969,973	125,379,300	0.58	1,377,413,257
2019	8,306,100	1,095,646,700	65,860,900	348,400	100,209,700	-	-	1,272,714,000	2,123,156	1,274,837,156	130,379,300	0.58	1,363,844,456

**WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**  
**UNAUDITED**

**Mendham Township**

Year Ended December 31,	Vacant Land		Residential		Farm (Regular)		Farm (Qualified)		Commercial		Industrial		Apartment		Total Assessed Value		Net Valuation Taxable		Tax-Exempt Property		Total Direct School Tax Rate <sup>b</sup>		Estimated Actual (County Equalized Value)	
	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Public Utilities <sup>a</sup>	Valuation Taxable	Property	Rate	Rate	Value	Value	
2010	\$ 27,782,700	*	\$ 1,760,137,200	*	\$ 87,577,600	*	\$ 581,600	*	\$ 10,890,700	*	\$ 2,100	*	\$ -	*	\$ 1,886,971,900	*	\$ 2,964,543	\$ 1,889,936,443	\$ 152,814,200	\$ 0.47	\$ 0.52	\$ 2,229,872,993	\$ 2,229,872,993	
2011	28,338,400		1,751,185,500		98,208,100		594,200		10,150,000		2,100		-		1,888,478,300		1,446,047	1,889,924,347	152,824,000	0.48	0.50	2,083,317,102	2,083,317,102	
2012	26,460,500		1,746,400,700		105,180,500		607,200		10,162,400		2,100		-		1,888,813,400		1,446,047	1,890,259,447	152,447,200	0.50	0.52	2,010,591,255	2,010,591,255	
2013	26,692,700		1,743,151,500		104,058,700		622,500		10,162,400		2,100		-		1,884,689,900		1,537,902	1,886,227,802	152,592,200	0.52	0.55	1,951,547,561	1,951,547,561	
2014	23,995,000		1,733,473,800		109,314,900		617,800		10,162,400		2,100		-		1,877,566,000		1,239,350	1,878,805,350	152,605,300	0.52	0.55	1,895,672,519	1,895,672,519	
2015	22,888,000		1,729,916,200		111,919,200		624,700		10,162,400		2,100		-		1,875,512,600		1,226,793	1,876,739,393	152,605,300	0.55	0.55	1,963,385,307	1,963,385,307	
2016	23,331,400		1,726,534,100		112,663,100		624,700		10,162,400		2,100		-		1,873,317,800		1,240,960	1,874,558,760	152,605,300	0.55	0.55	1,942,042,113	1,942,042,113	
2017	21,865,300		1,726,778,500		115,993,000		606,300		10,039,000		2,100		-		1,875,284,200		1,244,391	1,876,528,591	152,589,500	0.56	0.56	1,959,468,151	1,959,468,151	
2018	21,643,900		1,719,760,500		122,730,600		520,300		10,123,500		2,100		-		1,874,780,900		1,250,037	1,876,030,937	152,607,500	0.56	0.56	1,938,936,548	1,938,936,548	
2019	24,051,500		1,713,009,200		127,004,700		521,800		10,123,500		2,100		-		1,874,712,800		1,326,546	1,876,039,346	151,071,800	0.56	0.56	1,918,523,996	1,918,523,996	

**Washington Township**

Year Ended December 31,	Vacant Land		Residential		Farm (Regular)		Farm (Qualified)		Commercial		Industrial		Apartment		Total Assessed Value		Net Valuation Taxable		Tax-Exempt Property		Total Direct School Tax Rate <sup>b</sup>		Estimated Actual (County Equalized Value)	
	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Value	Area	Public Utilities <sup>a</sup>	Valuation Taxable	Property	Rate	Rate	Value	Value	
2010	\$ 38,072,900	*	\$ 2,462,010,400	*	\$ 113,484,900	*	\$ 4,137,400	*	\$ 126,955,200	*	\$ 34,966,600	*	\$ 36,148,000	*	\$ 2,815,775,400	*	\$ 4,740,622	\$ 2,820,516,022	\$ 243,749,600	\$ 0.52	\$ 0.52	\$ 3,313,749,445	\$ 3,313,749,445	
2011	36,687,200		2,467,409,800		115,743,900		4,396,700		125,513,400		34,966,600		35,481,100		2,820,198,700		4,384,292	2,824,582,992	244,640,300	0.53	0.53	3,152,132,846	3,152,132,846	
2012	34,941,700		2,469,983,800		115,719,400		4,328,500		122,484,700		34,966,600		35,430,900		2,817,855,600		4,013,846	2,821,869,446	248,566,600	0.53	0.53	3,051,555,188	3,051,555,188	
2013	31,560,000		2,478,920,800		115,230,000		4,334,500		119,232,700		34,966,600		35,358,200		2,819,602,600		1,383,066	2,820,985,666	252,694,900	0.52	0.52	2,896,200,018	2,896,200,018	
2014	30,285,400		2,473,660,800		115,685,500		4,434,000		119,360,900		32,800,100		35,358,200		2,811,584,900		939,069	2,812,523,969	253,470,500	0.52	0.52	2,812,947,929	2,812,947,929	
2015	29,652,600		2,472,018,300		114,769,000		4,412,000		115,548,400		32,800,100		35,358,200		2,804,558,600		935,217	2,805,493,817	254,218,200	0.51	0.51	2,793,349,767	2,793,349,767	
2016	31,061,500		2,470,631,400		116,338,400		4,359,800		123,464,900		32,800,100		35,358,200		2,814,014,300		830,887	2,814,845,187	254,082,500	0.53	0.53	2,857,587,207	2,857,587,207	
2017	29,395,800		2,478,120,100		116,160,600		4,353,600		122,738,600		32,238,700		35,054,600		2,818,062,000		-	2,818,062,000	254,082,300	0.56	0.56	2,896,024,012	2,896,024,012	
2018	26,217,500		2,489,033,400		116,986,400		4,320,600		122,170,100		32,238,700		35,461,400		2,826,428,100		-	2,826,428,100	256,473,800	0.57	0.57	2,906,311,191	2,906,311,191	
2019	25,652,900		2,485,591,200		117,377,100		4,350,900		118,219,200		30,938,700		35,461,400		2,817,591,400		-	2,817,591,400	259,513,500	0.59	0.59	2,890,035,246	2,890,035,246	

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.

<sup>a</sup> - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

<sup>b</sup> - Tax rates are per \$100 of assessed valuation.

\* - Revaluation or reassessment of real property was effective in this year.

Source: Municipal Tax Assessors.

**WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT**  
**DIRECT & OVERLAPPING PROPERTY TAX RATES**

**LAST TEN YEARS**

**UNAUDITED**

*(Rate per \$100 of Assessed Value)*

**Chester Borough**

Year Ended December 31,	West Morris Regional High School Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General		Chester Borough	Chester		
		Obligation Debt <sup>b</sup>	Total Direct		Borough	Morris County	
2010	* \$ 0.34	* \$ 0.02	* \$ 0.36	* \$ 0.81	* \$ 0.91	* \$ 0.28	* \$ 2.36
2011	0.33	0.02	0.35	0.84	0.95	0.27	2.41
2012	0.36	0.02	0.38	0.86	0.94	0.27	2.45
2013	0.38	0.02	0.40	0.90	0.96	0.28	2.54
2014	0.38	0.02	0.40	0.90	0.94	0.26	2.50
2015	0.47	0.02	0.49	0.92	0.98	0.27	2.66
2016	0.45	0.03	0.48	0.84	0.95	0.34	2.61
2017	0.45	0.02	0.47	0.93	0.93	0.26	2.59
2018	0.49	0.03	0.52	0.93	0.93	0.25	2.63
2019	0.50	0.03	0.53	0.95	0.92	0.25	2.65

**Chester Township**

Year Ended December 31,	West Morris Regional High School Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General		Chester Township	Chester		
		Obligation Debt <sup>b</sup>	Total Direct		Township	Morris County	
2010	* \$ 0.47	* \$ 0.03	* \$ 0.50	* \$ 0.47	* \$ 0.89	* \$ 0.26	* \$ 2.12
2011	0.48	0.03	0.51	0.49	0.91	0.27	2.18
2012	0.49	0.03	0.52	0.51	0.92	0.27	2.22
2013	0.52	0.03	0.55	0.52	0.93	0.27	2.27
2014	0.53	0.03	0.56	0.52	0.95	0.27	2.30
2015	0.52	0.03	0.55	0.52	0.96	0.26	2.29
2016	0.54	0.03	0.57	0.52	0.96	0.27	2.32
2017	0.53	0.03	0.56	0.52	0.98	0.27	2.33
2018	0.53	0.03	0.56	0.53	0.98	0.27	2.34
2019	0.54	0.03	0.57	0.53	0.99	0.27	2.36

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
DIRECT & OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
(Rate per \$100 of Assessed Value)

**Mendham Borough**

Year Ended December 31,	West Morris Regional High School Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt <sup>b</sup>		Mendham Borough	Mendham Borough Morris County		
		Total Direct			Mendham Schools		
2010	* \$ 0.45	* \$ 0.03	* \$ 0.48	* \$ 0.42	* \$ 0.73	* \$ 0.27	* \$ 1.90
2011	0.44	0.03	0.47	0.43	0.75	0.26	1.91
2012	0.44	0.03	0.47	0.43	0.76	0.26	1.92
2013	0.45	0.03	0.48	0.43	0.77	0.27	1.95
2014	0.49	0.03	0.52	0.45	0.78	0.27	2.02
2015	0.50	0.03	0.53	0.45	0.81	0.28	2.07
2016	0.52	0.03	0.55	0.46	0.84	0.27	2.12
2017	0.54	0.03	0.57	0.47	0.86	0.28	2.18
2018	0.55	0.03	0.58	0.48	0.88	0.28	2.22
2019	0.55	0.03	0.58	0.47	0.89	0.28	2.22

**Mendham Township**

Year Ended December 31,	West Morris Regional High School Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt <sup>b</sup>		Mendham Township	Mendham Township Morris County		
		Total Direct			Mendham Schools		
2010	* \$ 0.44	* \$ 0.03	* \$ 0.47	* \$ 0.36	* \$ 0.79	* \$ 0.27	* \$ 1.89
2011	0.45	0.03	0.48	0.36	0.80	0.26	1.90
2012	0.47	0.03	0.50	0.36	0.80	0.26	1.92
2013	0.49	0.03	0.52	0.36	0.80	0.26	1.94
2014	0.49	0.03	0.52	0.38	0.82	0.26	1.98
2015	0.52	0.03	0.55	0.39	0.83	0.26	2.03
2016	0.52	0.03	0.55	0.42	0.83	0.27	2.07
2017	0.52	0.03	0.55	0.44	0.81	0.27	2.07
2018	0.53	0.03	0.56	0.44	0.85	0.27	2.12
2019	0.53	0.03	0.56	0.45	0.88	0.27	2.16

Source: Municipal Tax Collectors and School Business Administrator.



**WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT**  
**DIRECT & OVERLAPPING PROPERTY TAX RATES**

**LAST TEN YEARS**

**UNAUDITED**

*(Rate per \$100 of Assessed Value)*

**Washington Township**

Year Ended December 31,	West Morris Regional High School Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt <sup>b</sup>		Washington Township	Washington Township Morris County		
		Total Direct			Schools		
2010	* \$ 0.49	* \$ 0.03	* \$ 0.52	* \$ 0.40	* \$ 1.13	* \$ 0.27	* \$ 2.32
2011	0.50	0.03	0.53	0.40	1.14	0.26	2.33
2012	0.50	0.03	0.53	0.41	1.13	0.27	2.34
2013	0.49	0.03	0.52	0.42	1.13	0.26	2.33
2014	0.49	0.03	0.52	0.43	1.15	0.26	2.36
2015	0.48	0.03	0.51	0.44	1.17	0.25	2.37
2016	0.50	0.03	0.53	0.44	1.19	0.26	2.42
2017	0.53	0.03	0.56	0.45	1.22	0.27	2.50
2018	0.54	0.03	0.57	0.46	1.25	0.27	2.55
2019	0.56	0.03	0.59	0.46	1.29	0.27	2.61

\* - Property revaluation or reassessment was effective in this year.

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.

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

<sup>b</sup> Rates for debt service are based on each year's requirements.

Source: Municipal Tax Collectors and School Business Administrator.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Chester Borough

	2019		2010			
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
DPF Chester LLC		\$ 39,000,000	9.79%	Chester Springs, LLC	\$ 34,533,100	8.87%
CPP Streets of Chester, LLC		15,000,000	3.77%	Continental Chester, LLC	26,000,000	6.68%
Savro, LLC/Chester Shopping Mall		6,940,000	1.74%	NS-MPG, Inc.	8,900,000	2.29%
Williamson Associates, LLC		3,900,000	0.98%	Savro/Chester Shopping Mall	8,296,000	2.13%
M&M Chester LLC		3,664,300	0.92%	Williamson Associates	4,413,400	1.13%
95 West Main Associates, LLC		3,104,000	0.78%	95 West Main Associates	3,698,500	0.95%
DeSapio Real Estate Development, LLC		2,230,000	0.56%	Individual Taxpayer #1	3,354,800	0.86%
Public House Holdings, LLC		2,225,000	0.56%	Individual Taxpayer #2	2,713,300	0.70%
Chester Franklin Associates, LLC		2,200,000	0.55%	Turkey Farm Acquisition	2,587,400	0.66%
MGHC Group, LLC		1,789,300	0.45%	Group 206 North Associates	2,434,100	0.63%
<b>Total</b>		<b>\$ 80,052,600</b>	<b>20.10%</b>	<b>Total</b>	<b>\$ 96,930,600</b>	<b>24.90%</b>

Source: Chester Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

**Chester Township**

	2019		2010			
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	Welkind Rehabilitation Hospital, Inc.	\$ 6,476,600	0.35%	Welkind Rehabilitation Hospital, Inc.	\$ 6,170,200	0.33%
	Individual Taxpayer #1	3,734,400	0.20%	Individual Taxpayer #1	5,040,000	0.27%
	Individual Taxpayer #2	3,602,200	0.20%	Individual Taxpayer #2	4,324,000	0.23%
	Individual Taxpayer #3	3,140,800	0.17%	Individual Taxpayer #3	4,000,600	0.22%
	Individual Taxpayer #4	3,095,800	0.17%	Individual Taxpayer #4	3,383,800	0.18%
	Individual Taxpayer #5	3,008,300	0.16%	Individual Taxpayer #5	3,300,000	0.18%
	Individual Taxpayer #6	2,968,600	0.16%	Individual Taxpayer #6	3,186,700	0.17%
	Individual Taxpayer #7	2,833,500	0.16%	Individual Taxpayer #7	3,111,300	0.17%
	Individual Taxpayer #8	2,733,000	0.15%	Individual Taxpayer #8	2,980,400	0.16%
	Individual Taxpayer #9	2,715,400	0.15%	Individual Taxpayer #9	2,961,200	0.16%
Total		\$ 34,308,600	1.87%	Total	\$ 38,458,200	2.07%

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Chester Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Mendham Borough

	2019		2010			
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
	V-Fee Realty	\$ 22,000,000	1.73%	V-Fee Realty	\$ 22,000,000	1.70%
	Escada LLC CO P5Admin	8,564,900	0.67%	Roxiticus Golf Club	14,178,100	1.09%
	Holly Manor Assoc. of NJ	8,558,600	0.67%	Holly Manor Assoc. of NJ	8,558,600	0.66%
	Roxiticus Golf Club	8,003,500	0.63%	Individual Taxpayer #1	6,430,800	0.50%
	Individual Taxpayer #1	5,652,500	0.44%	Individual Taxpayer #2	5,652,500	0.44%
	Individual Taxpayer #2	5,201,800	0.41%	Individual Taxpayer #3	5,379,200	0.41%
	Individual Taxpayer #3	5,000,000	0.39%	Individual Taxpayer #4	5,273,400	0.41%
	Individual Taxpayer #4	4,850,000	0.38%	Individual Taxpayer #5	4,766,400	0.37%
	Individual Taxpayer #5	4,779,200	0.37%	Individual Taxpayer #6	4,635,000	0.36%
	Individual Taxpayer #6	4,396,300	0.34%	Individual Taxpayer #7	4,629,500	0.36%
	Total	\$ 77,006,800	6.03%	Total	\$ 81,503,500	6.30%

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may not be the same individual taxpayers in the two years presented.

Source: Mendham Borough Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

**Mendham Township**

	2019		2010	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Shemy, LLC	\$ 8,454,200	0.45%	\$ 8,135,000	0.43%
Woodland Lakes, Inc.	7,795,500	0.42%	5,942,800	0.31%
Mendham Golf & Tennis Club	6,199,400	0.33%	5,770,400	0.31%
Southeast Morris County Municipal			5,640,700	0.30%
Utilities Authority	4,870,100	0.26%	5,124,500	0.27%
Individual Taxpayer #1	4,097,300	0.22%	5,083,400	0.27%
Individual Taxpayer #2	3,985,600	0.21%	4,985,600	0.26%
Desiree Farm, LLC	3,850,000	0.21%		
Southeast Morris County Municipal				
Utilities Authority			4,640,300	0.25%
Individual Taxpayer #3	3,800,000	0.20%	4,448,800	0.24%
Individual Taxpayer #4	3,760,200	0.20%	4,353,600	0.23%
Individual Taxpayer #5	3,603,300	0.19%		
<b>Total</b>	<b>\$ 50,415,600</b>	<b>2.69%</b>	<b>\$ 54,125,100</b>	<b>2.86%</b>

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may be not be the same individual taxpayers in the two years presented.

Source: Mendham Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Washington Township

	2019		2010	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Heath Village	\$ 21,864,400	0.78%	\$ 21,760,700	0.77%
Target Corporation	13,650,000	0.48%	15,914,000	0.56%
2085 Realty Partners, LLC	11,694,100	0.42%	12,225,800	0.43%
Peachtree Village, LP	10,250,000	0.36%	10,916,900	0.39%
Bay Ridge Motor Sales	7,940,000	0.28%	7,605,500	0.27%
GPT Hackettstown Owner	6,841,200	0.24%	7,399,000	0.26%
Amerace ESNA Corporation	6,178,400	0.22%	6,178,400	0.22%
Black Oak Golf Club	6,036,500	0.21%	6,126,900	0.22%
Columbia Gas Transmission Corporation	5,872,300	0.21%	5,872,300	0.21%
Long Valley Shopping Center	4,800,000	0.17%	5,543,400	0.20%
Total	\$ 95,126,900	3.37%	\$ 99,542,900	3.53%

Source: Washington Township Tax Assessor.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Chester Borough**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 1,373,396	\$ 1,373,396	100.00%	\$ - 0 -
2012	1,270,174	1,270,174	100.00%	- 0 -
2013	1,571,270	1,571,270	100.00%	- 0 -
2014	1,381,831	1,381,831	100.00%	- 0 -
2015	1,602,084	1,602,084	100.00%	- 0 -
2016	2,132,052	2,132,052	100.00%	- 0 -
2017	1,708,775	1,708,775	100.00%	- 0 -
2018	2,011,072	2,011,072	100.00%	- 0 -
2019	2,128,812	2,128,812	100.00%	- 0 -
2020	2,078,486	2,078,486	100.00%	- 0 -

**Chester Township**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 9,345,694	\$ 9,345,694	100.00%	\$ - 0 -
2012	9,553,093	9,553,093	100.00%	- 0 -
2013	9,547,871	9,547,871	100.00%	- 0 -
2014	10,309,802	10,309,802	100.00%	- 0 -
2015	10,047,830	10,047,830	100.00%	- 0 -
2016	10,079,678	10,079,678	100.00%	- 0 -
2017	10,612,283	10,612,283	100.00%	- 0 -
2018	9,934,236	9,934,236	100.00%	- 0 -
2019	10,572,990	10,572,990	100.00%	- 0 -
2020	10,340,820	10,340,820	100.00%	- 0 -

Source: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Mendham Borough**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 6,197,308	\$ 6,197,308	100.00%	\$ - 0 -
2012	6,011,625	6,011,625	100.00%	- 0 -
2013	6,020,739	6,020,739	100.00%	- 0 -
2014	6,423,969	6,423,969	100.00%	- 0 -
2015	6,871,925	6,871,925	100.00%	- 0 -
2016	6,864,576	6,864,576	100.00%	- 0 -
2017	7,147,715	7,147,715	100.00%	- 0 -
2018	7,520,243	6,924,505	92.08%	595,738
2019	7,366,776	6,782,674	92.07%	584,102
2020	7,532,942	6,935,175	92.06%	597,767

**Mendham Township**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 9,127,228	\$ 9,127,228	100.00%	\$ - 0 -
2012	9,250,500	9,250,500	100.00%	- 0 -
2013	9,739,185	9,739,185	100.00%	- 0 -
2014	9,681,323	9,681,323	100.00%	- 0 -
2015	10,029,619	10,029,619	100.00%	- 0 -
2016	10,414,087	10,414,087	100.00%	- 0 -
2017	10,228,121	9,418,648	92.09%	809,473
2018	10,356,695	10,356,695	100.00%	- 0 -
2019	10,477,898	10,477,898	100.00%	- 0 -
2020	10,719,500	10,719,500	100.00%	- 0 -

Source: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Washington Township**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2011	\$ 14,969,017	\$ 14,969,017	100.00%	\$ - 0 -
2012	14,926,032	14,926,032	100.00%	- 0 -
2013	14,724,607	14,724,607	100.00%	- 0 -
2014	14,503,655	14,503,655	100.00%	- 0 -
2015	14,526,284	14,526,284	100.00%	- 0 -
2016	14,400,932	14,400,932	100.00%	- 0 -
2017	15,331,216	15,331,216	100.00%	- 0 -
2018	16,062,330	16,062,330	100.00%	- 0 -
2019	16,213,947	16,213,947	100.00%	- 0 -
2020	16,868,044	16,868,044	100.00%	- 0 -

<sup>a</sup> 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: West Morris Regional High School District records including the Certificate and Report of School Taxes (A4F Form).

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

**Chester Borough**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2011	\$ 761,866	\$ - 0 -	\$ - 0 -	\$ 761,866	0.60%	\$ 459.23
2012	641,104	- 0 -	- 0 -	641,104	0.48%	386.21
2013	729,103	- 0 -	- 0 -	729,103	0.54%	438.95
2014	583,105	- 0 -	- 0 -	583,105	0.42%	351.06
2015	608,995	- 0 -	6,371	615,366	0.42%	371.60
2016	721,349	- 0 -	6,305	727,654	0.48%	440.47
2017	503,015	- 0 -	3,318	506,333	0.33%	307.24
2018	508,197	- 0 -	159,026	667,223	0.41%	406.84
2019	448,658	- 0 -	187,977	636,635	0.40%	392.02
2020	351,954	- 0 -	157,642	509,596	0.32%	313.79

**Chester Township**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2011	\$ 5,184,349	\$ - 0 -	\$ - 0 -	\$ 5,184,349	0.86%	\$ 657.33
2012	4,821,804	- 0 -	- 0 -	4,821,804	0.77%	611.13
2013	4,430,418	- 0 -	- 0 -	4,430,418	0.69%	561.45
2014	4,350,530	- 0 -	- 0 -	4,350,530	0.66%	553.15
2015	3,819,449	- 0 -	39,956	3,859,405	0.56%	491.27
2016	3,410,315	- 0 -	29,810	3,440,125	0.48%	439.41
2017	3,123,955	- 0 -	20,606	3,144,561	0.43%	402.84
2018	2,510,374	- 0 -	785,553	3,295,927	0.43%	425.01
2019	2,228,312	- 0 -	933,608	3,161,920	0.42%	412.25
2020	1,751,030	- 0 -	784,293	2,535,323	0.33%	330.55

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

**Mendham Borough**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2011	\$ 3,437,841	\$ - 0 -	\$ - 0 -	\$ 3,437,841	0.89%	\$ 685.92
2012	3,034,292	- 0 -	- 0 -	3,034,292	0.76%	605.04
2013	2,793,752	- 0 -	- 0 -	2,793,752	0.69%	558.64
2014	2,710,787	- 0 -	- 0 -	2,710,787	0.65%	544.66
2015	2,612,202	- 0 -	27,327	2,639,529	0.60%	532.38
2016	2,322,531	- 0 -	20,301	2,342,832	0.52%	473.97
2017	2,104,085	- 0 -	13,879	2,117,964	0.46%	430.22
2018	1,900,360	- 0 -	594,666	2,495,026	0.52%	509.40
2019	1,552,586	- 0 -	650,496	2,203,082	0.46%	454.52
2020	1,275,567	- 0 -	571,331	1,846,898	0.39%	381.04

**Mendham Township**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2011	\$ 5,063,160	\$ - 0 -	\$ - 0 -	\$ 5,063,160	1.12%	\$ 860.06
2012	4,669,073	- 0 -	- 0 -	4,669,073	0.99%	792.85
2013	4,519,192	- 0 -	- 0 -	4,519,192	0.95%	770.01
2014	4,085,325	- 0 -	- 0 -	4,085,325	0.83%	699.06
2015	3,812,526	- 0 -	39,884	3,852,410	0.75%	660.68
2016	3,523,457	- 0 -	30,798	3,554,255	0.67%	612.49
2017	3,010,869	- 0 -	19,860	3,030,729	0.56%	524.98
2018	2,617,130	- 0 -	818,959	3,436,089	0.61%	599.98
2019	2,208,271	- 0 -	925,211	3,133,482	0.56%	553.42
2020	1,815,152	- 0 -	813,014	2,628,166	0.47%	464.18

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

**Washington Township**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Capital Leases			
2011	\$ 8,303,784	\$ - 0 -	\$ - 0 -	\$ 8,303,784	0.58%	\$ 445.84
2012	7,533,727	- 0 -	- 0 -	7,533,727	0.51%	403.48
2013	6,832,535	- 0 -	- 0 -	6,832,535	0.45%	366.71
2014	6,120,253	- 0 -	- 0 -	6,120,253	0.39%	329.54
2015	5,521,828	- 0 -	57,765	5,579,593	0.34%	300.67
2016	4,872,348	- 0 -	42,589	4,914,937	0.29%	265.39
2017	4,513,076	- 0 -	29,768	4,542,844	0.26%	245.44
2018	4,058,939	- 0 -	1,270,135	5,329,074	0.29%	290.37
2019	3,417,173	- 0 -	1,431,712	4,848,885	0.27%	267.13
2020	2,856,297	- 0 -	1,279,347	4,135,644	0.23%	227.83

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

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

**Chester Borough**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable <sup>a</sup>	Per Capita <sup>b</sup>
2011	\$ 761,866	\$ - 0 -	\$ 761,866	0.201%	\$ 459.23
2012	641,104	- 0 -	641,104	0.170%	386.21
2013	729,103	- 0 -	729,103	0.198%	438.95
2014	583,105	- 0 -	583,105	0.154%	351.06
2015	608,995	- 0 -	608,995	0.161%	367.75
2016	721,349	- 0 -	721,349	0.182%	436.65
2017	503,015	- 0 -	503,015	0.126%	305.23
2018	508,197	- 0 -	508,197	0.127%	309.88
2019	448,658	- 0 -	448,658	0.113%	276.27
2020	351,954	- 0 -	351,954	0.088%	216.72

**Chester Township**

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable <sup>a</sup>	Per Capita <sup>b</sup>
2011	\$ 5,184,349	\$ - 0 -	\$ 5,184,349	0.282%	\$ 657.33
2012	4,821,804	- 0 -	4,821,804	0.263%	611.13
2013	4,430,418	- 0 -	4,430,418	0.243%	561.45
2014	4,350,530	- 0 -	4,350,530	0.239%	553.15
2015	3,819,449	- 0 -	3,819,449	0.210%	486.18
2016	3,410,315	- 0 -	3,410,315	0.187%	435.60
2017	3,123,955	- 0 -	3,123,955	0.171%	400.20
2018	2,510,374	- 0 -	2,510,374	0.137%	323.71
2019	2,228,312	- 0 -	2,228,312	0.122%	290.52
2020	1,751,030	- 0 -	1,751,030	0.096%	228.30

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

**Mendham Borough**

Fiscal Year Ended	General Bonded Debt Outstanding				
	General Obligation		Net General Bonded Debt	Percentage of Net Valuation	
	Bonds	Deductions	Outstanding	Taxable <sup>a</sup>	Per Capita <sup>b</sup>
June 30,					
2011	\$ 3,437,841	\$ - 0 -	\$ 3,437,841	0.266%	\$ 685.92
2012	3,034,292	- 0 -	3,034,292	0.235%	605.04
2013	2,793,752	- 0 -	2,793,752	0.218%	558.64
2014	2,710,787	- 0 -	2,710,787	0.211%	544.66
2015	2,612,202	- 0 -	2,612,202	0.203%	526.87
2016	2,322,531	- 0 -	2,322,531	0.181%	469.86
2017	2,104,085	- 0 -	2,104,085	0.164%	427.40
2018	1,900,360	- 0 -	1,900,360	0.148%	387.99
2019	1,552,586	- 0 -	1,552,586	0.122%	320.32
2020	1,275,567	- 0 -	1,275,567	0.100%	263.17

**Mendham Township**

Fiscal Year Ended	General Bonded Debt Outstanding				
	General Obligation		Net General Bonded Debt	Percentage of Net Valuation	
	Bonds	Deductions	Outstanding	Taxable <sup>a</sup>	Per Capita <sup>b</sup>
June 30,					
2011	\$ 5,063,160	\$ - 0 -	\$ 5,063,160	0.268%	\$ 860.06
2012	4,669,073	- 0 -	4,669,073	0.247%	792.85
2013	4,519,192	- 0 -	4,519,192	0.240%	770.01
2014	4,085,325	- 0 -	4,085,325	0.217%	699.06
2015	3,812,526	- 0 -	3,812,526	0.203%	653.84
2016	3,523,457	- 0 -	3,523,457	0.188%	607.18
2017	3,010,869	- 0 -	3,010,869	0.160%	521.54
2018	2,617,130	- 0 -	2,617,130	0.140%	456.98
2019	2,208,271	- 0 -	2,208,271	0.118%	390.02
2020	1,815,152	- 0 -	1,815,152	0.097%	320.58

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

**Washington Township**

Fiscal Year Ended	General Bonded Debt Outstanding				Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable <sup>a</sup>	
June 30,					
2011	\$ 8,303,784	\$ - 0 -	\$ 8,303,784	0.294%	\$ 445.84
2012	7,533,727	- 0 -	7,533,727	0.267%	403.48
2013	6,832,535	- 0 -	6,832,535	0.242%	366.71
2014	6,120,253	- 0 -	6,120,253	0.218%	329.54
2015	5,521,828	- 0 -	5,521,828	0.197%	297.56
2016	4,872,348	- 0 -	4,872,348	0.173%	263.09
2017	4,513,076	- 0 -	4,513,076	0.160%	243.83
2018	4,058,939	- 0 -	4,058,939	0.144%	221.16
2019	3,417,173	- 0 -	3,417,173	0.121%	188.25
2020	2,856,297	- 0 -	2,856,297	0.101%	157.35

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

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

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2019  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Chester	\$ 3,858,300	100.00%	\$ 3,858,300
Township of Chester	14,608,842	100.00%	14,608,842
Borough of Mendham	1,618,359	100.00%	1,618,359
Township of Mendham	11,041,877	100.00%	11,041,877
Township of Washington	10,673,000	100.00%	10,673,000
County of Morris General Obligation Debt (all constituent municipalities)	216,220,009	8.82%	<u>19,073,853</u>
Subtotal, Overlapping Debt			60,874,231
West Morris Regional School District Direct Debt			<u>9,855,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 70,729,231</u></u>

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 units that is borne by the residents and businesses of West Morris Regional High School District. 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.

<sup>a</sup> 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.

Source: Assessed value data used to estimate applicable percentages provided by the Morris County Board of Taxation; Debt outstanding data provided by each governmental unit.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 285,737,548	\$ 275,929,859	\$ 265,007,516	\$ 257,201,826	\$ 253,650,778
Total Net Debt Applicable to Limit	22,751,000	20,700,000	19,305,000	17,850,000	16,375,000
Legal Debt Margin	<u>\$ 262,986,548</u>	<u>\$ 255,229,859</u>	<u>\$ 245,702,516</u>	<u>\$ 239,351,826</u>	<u>\$ 237,275,778</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.96%	7.50%	7.28%	6.94%	6.46%

	Fiscal Year				
	2016	2017	2018	2019	2020
Debt Limit	\$ 253,032,514	\$ 254,342,414	\$ 254,406,183	\$ 254,843,729	\$ 253,898,898
Total Net Debt Applicable to Limit	14,850,000	13,255,000	11,595,000	9,855,000	8,050,000
Legal Debt Margin	<u>\$ 238,182,514</u>	<u>\$ 241,087,414</u>	<u>\$ 242,811,183</u>	<u>\$ 244,988,729</u>	<u>\$ 245,848,898</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.87%	5.21%	4.56%	3.87%	3.17%

Legal Debt Margin Calculation for Fiscal Year 2020

Year Ended December 31,	Chester Borough	Chester Township	Mendham Borough	Mendham Township	Washington Township	Equalized Valuation Basis
2017	\$ 388,929,425	\$ 1,906,745,466	\$ 1,372,572,409	\$ 1,937,477,219	\$ 2,893,287,474	\$ 8,499,011,993
2018	385,064,408	1,914,841,090	1,368,257,530	1,916,561,951	2,894,744,060	8,479,469,039
2019	392,740,215	1,880,650,401	1,366,746,134	1,890,593,788	2,880,678,254	8,411,408,792
	<u>\$ 1,166,734,048</u>	<u>\$ 5,702,236,957</u>	<u>\$ 4,107,576,073</u>	<u>\$ 5,744,632,958</u>	<u>\$ 8,668,709,788</u>	<u>\$ 25,389,889,824</u>
	Average Equalized Valuation of Taxable Property					<u>\$ 8,463,296,608</u>
	Debt Limit <sup>a</sup> (3% of Average Equalization Value)					\$ 253,898,898
	Net Bonded School Debt					<u>8,050,000</u>
	Legal Debt Margin					<u>\$ 245,848,898</u>

<sup>a</sup> - Limit set by NJSA 18A:24-19 for a regional high school 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Chester Borough**

Year	Borough Population <sup>a</sup>	Morris County Per Capita Personal Income <sup>b</sup>	Borough Personal Income <sup>c</sup>	Borough Unemployment Rate <sup>d</sup>
2010	1,650	\$ 73,983	\$ 122,071,950	8.70%
2011	1,659	76,727	127,290,093	8.40%
2012	1,660	79,765	132,409,900	8.80%
2013	1,661	80,805	134,217,105	6.50%
2014	1,661	84,260	139,955,860	3.80%
2015	1,656	88,219	146,090,664	3.70%
2016	1,652	90,853	150,089,156	3.30%
2017	1,648	93,555	154,178,640	3.40%
2018	1,640	98,842	162,100,880	2.30%
2019	1,624	98,842 *	160,519,408	2.00%

**Chester Township**

Year	Township Population <sup>a</sup>	Morris County Per Capita Personal Income <sup>b</sup>	Township Personal Income <sup>c</sup>	Township Unemployment Rate <sup>d</sup>
2010	7,850	\$ 73,983	\$ 580,766,550	4.90%
2011	7,887	76,727	605,145,849	4.80%
2012	7,890	79,765	629,345,850	5.00%
2013	7,891	80,805	637,632,255	5.80%
2014	7,865	84,260	662,704,900	4.40%
2015	7,856	88,219	693,048,464	3.70%
2016	7,829	90,853	711,288,137	3.40%
2017	7,806	93,555	730,290,330	3.20%
2018	7,755	98,842	766,519,710	3.00%
2019	7,670	98,842 *	758,118,140	2.50%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Mendham Borough**

Year	Borough Population <sup>a</sup>	Morris County Per Capita Personal Income <sup>b</sup>	Borough Personal Income <sup>c</sup>	Borough Unemployment Rate <sup>d</sup>
2010	4,995	\$ 73,983	\$ 369,545,085	3.30%
2011	5,012	76,727	384,555,724	3.10%
2012	5,015	79,765	400,021,475	3.30%
2013	5,001	80,805	404,105,805	6.70%
2014	4,977	84,260	419,362,020	4.70%
2015	4,958	88,219	437,389,802	3.70%
2016	4,943	90,853	449,086,379	3.80%
2017	4,923	93,555	460,571,265	3.60%
2018	4,898	98,842	484,128,116	3.50%
2019	4,847	98,842 *	479,087,174	3.00%

**Mendham Township**

Year	Township Population <sup>a</sup>	Morris County Per Capita Personal Income <sup>b</sup>	Township Personal Income <sup>c</sup>	Township Unemployment Rate <sup>d</sup>
2010	5,876	\$ 73,983	\$ 434,724,108	2.10%
2011	5,887	76,727	451,691,849	2.00%
2012	5,889	79,765	469,736,085	2.10%
2013	5,869	80,805	474,244,545	2.00%
2014	5,844	84,260	492,415,440	4.00%
2015	5,831	88,219	514,404,989	3.30%
2016	5,803	90,853	527,219,959	3.20%
2017	5,773	93,555	540,093,015	3.10%
2018	5,727	98,842	566,068,134	2.70%
2019	5,662	98,842 *	559,643,404	2.40%

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

**Washington Township**

<u>Year</u>	<u>Township Population<sup>a</sup></u>	<u>Morris County Per Capita Personal Income<sup>b</sup></u>	<u>Township Personal Income<sup>c</sup></u>	<u>Township Unemployment Rate<sup>d</sup></u>
2010	18,557	\$ 73,983	\$ 1,372,902,531	6.70%
2011	18,625	76,727	1,429,040,375	6.50%
2012	18,672	79,765	1,489,372,080	6.70%
2013	18,632	80,805	1,505,558,760	5.00%
2014	18,572	84,260	1,564,876,720	4.60%
2015	18,557	88,219	1,637,079,983	4.30%
2016	18,520	90,853	1,682,597,560	3.50%
2017	18,509	93,555	1,731,609,495	3.40%
2018	18,353	98,842	1,814,047,226	3.20%
2019	18,152	98,842 *	1,794,179,984	2.70%

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

Sources:

- a Population information provided by the NJ Department of Labor and Workforce Development.
- b Per capita personal income by municipality estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.
- c Personal income has been estimated based upon the municipal population and per capita personal income presented.
- d Unemployment data provided by the NJ Department of Labor and Workforce Development.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - MORRIS COUNTY  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2019		2010		
	Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Atlantic Health System		6,140	2.39%	4,990	1.99%
Picatinny Arsenal		6,000	2.34%	4,933	1.97%
Novartis		4,900	1.91%	4,442	1.77%
ADP		2,690	1.05%	2,675	1.07%
Bayer		2,400	0.93%	2,332	0.93%
Accenture		1,865	0.73%	1,924	0.77%
Barclays		1,800	0.70%	1,550	0.62%
Honeywell		1,704	0.66%	1,531	0.61%
Allergan		1,627	0.63%	1,400	0.56%
St. Clare's Health System		1,565	0.61%	1,378	0.55%
		<u>30,691</u>	<u>11.96%</u>	<u>27,155</u>	<u>10.83%</u>
Total Employment *		<u>256,698</u>		<u>250,640</u>	

\* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: Morris County Treasurer's Office.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Instruction:										
Regular	179.60	181.00	176.80	177.20	179.60	174.40	169.40	169.80	168.60	167.00
Special Education	40.00	40.00	43.00	40.40	39.40	41.20	37.80	36.40	38.90	35.80
Support Services:										
Student & Instruction-Related Services	56.90	55.50	53.00	49.00	48.00	46.00	51.00	52.00	51.88	55.00
General Administration	3.00	3.00	5.00	8.00	8.00	8.00	7.00	7.20	5.90	5.90
School Administration	14.60	14.60	16.50	20.50	20.50	21.30	21.60	19.60	19.30	20.80
Central Services	4.10	4.00	4.00	4.00	5.80	5.60	5.80	5.60	5.20	5.20
Administrative Information Technology	4.00	4.00	4.00	5.60	5.00	5.00	7.00	7.00	8.00	7.00
Plant Operations/Maintenance	31.00	31.00	31.00	30.00	30.00	30.10	30.00	31.00	30.00	30.00
Student Transportation	4.00	4.00	4.00	2.80	2.80	2.80	2.80	2.80	2.90	2.80
<b>Total</b>	<b>337.20</b>	<b>337.10</b>	<b>337.30</b>	<b>337.50</b>	<b>339.10</b>	<b>334.40</b>	<b>332.40</b>	<b>331.40</b>	<b>330.68</b>	<b>329.50</b>

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Year	Enrollment	Operating Expenditures <sup>a</sup>	Costs per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Senior High School	School				
2011	2,736	\$ 45,613,075	\$ 16,671	-4.03%	241	11.4:1	11.4:1	2,726	2,565	1.47%	94.08%
2012	2,736	46,703,636	17,070	2.39%	241	11.6:1	11.6:1	2,729	2,583	0.11%	94.64%
2013	2,766	48,395,845	17,497	2.50%	240	11.5:1	11.5:1	2,774	2,621	1.65%	94.47%
2014	2,735	49,273,115	18,016	2.97%	240	11.4:1	11.4:1	2,741	2,599	-1.20%	94.82%
2015	2,722	50,477,255	18,544	2.93%	240	11.3:1	11.3:1	2,659	2,524	-2.98%	94.92%
2016	2,663	52,351,934	19,659	6.01%	236	11.3:1	11.3:1	2,598	2,477	-2.29%	95.34%
2017	2,635	52,236,601	19,824	0.84%	231	11.4:1	11.4:1	2,574	2,438	-0.92%	94.72%
2018	2,524	53,188,541	21,073	6.30%	228	11.1:1	11.1:1	2,462	2,353	-4.35%	95.57%
2019	2,495	55,271,300	22,153	5.12%	226	11.0:1	11.0:1	2,428	2,310	-1.38%	95.14%
2020	2,431	56,100,949	23,077	4.17%	225	10.8:1	10.8:1	2,364	2,247	-2.64%	95.05%

Note: Enrollment based on annual October District count (ASSA full-time students on roll).

- <sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay.
- <sup>b</sup> Teaching staff includes only full-time equivalents of certificated staff.
- <sup>c</sup> Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- <sup>d</sup> Costs per pupil is calculated based upon the operating costs and enrollment presented which may differ from other per pupil cost calculations.

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>District Buildings</u>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
West Morris Central High School (1958, 2008)										
Square Feet	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605	212,605
Capacity (Students)	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455
Enrollment	1,412	1,370	1,340	1,318	1,315	1,304	1,318	1,260	1,251	1,193
West Morris Mendham High School (1970, 2008)										
Square Feet	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553	198,553
Capacity (Students)	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308
Enrollment	1,324	1,366	1,426	1,417	1,407	1,359	1,317	1,264	1,244	1,238
Administration Building (1975)										
Square Feet	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840
West Morris Central Field House (1990)										
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Mendham Field House (1990)										
Square Feet	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280	23,280
West Morris Central Maintenance Garage #1 (2000)										
Square Feet	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080
West Morris Central Maintenance Garage #2 (2001)										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
West Morris Central Storage Building (1985)										
Square Feet	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
West Morris Mendham Maintenance Garage (1970)										
Square Feet	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960	4,960
West Morris Mendham Storage Building (1980)										
Square Feet	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Number of Schools at June 30, 2020:  
 High Schools = 2

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.

Source: West Morris Regional High School District Business Office.



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities\*

Account # 11-000-261-xxx

Fiscal Year Ended June 30	Central High School	Mendham High School	Total School Facilities*
2011	\$ 85,018	\$ 107,628	\$ 192,646
2012	77,782	112,922	190,704
2013	105,392	124,763	230,155
2014	107,405	134,770	242,175
2015	138,782	136,786	275,568
2016	104,388	115,870	220,258
2017	122,955	128,078	251,033
2018	147,438	161,108	308,546
2019	162,994	126,134	289,128
2020	120,920	130,756	251,676

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

Source: West Morris Regional High School District records.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICTINSURANCE SCHEDULEJUNE 30, 2020UNAUDITED

Type of Policy	Insurance Company	Policy Limits	Deductible
PROPERTY:	American Alternative Ins. Co.		
Property - Blanket and Contents			
School Limit Per Statement of Values		\$ 109,542,819	\$ 5,000
Flood:			
Outside Zones A, V, or B		5,000,000	50,000
Zone B		2,000,000	100,000
Zones A or V		1,000,000	500,000
Earthquake		5,000,000	5%
Business Income and Extra Expense		5,000,000	(72 Hours)
Contractors Equipment (\$10,000 Per Item Limit)		250,000	1,000
Musical Instruments, Athletic Equipment'			
Band Uniforms and Theatrical Equipment		250,000	1,000
Valuable Papers		5,000,000	1,000
Electronic Data Processing Equipment		2,500,000	5,000
Accounts Receivable		100,000	1,000
BOILER & MACHINERY:	American Alternative Ins. Co.		
Property Damage (Blanket)		50,000,000	5,000
GENERAL LIABILITY:	American Alternative Ins. Co.		
General Aggregate		2,000,000	
Each Occurrence		1,000,000	
COMMERCIAL AUTOMOBILE LIABILITY:	American Alternative Ins. Co.		
20 Vehicles Combined Single Limit		1,000,000	
Comprehensive			1,000
Collision			1,000
COMMERCIAL UMBRELLA	American Alternative Ins. Co.	10,000,000	10,000
EXCESS COMMERCIAL UMBRELLA	Fireman's Fund		
(Note: Shared Limits)			
Per Occurrence		50,000,000	
Aggregate		50,000,000	
EXCESS COMMERCIAL LIABILITY			
(Note: Unshared Limits)			
StarStone		15,000,000	
Markel		15,000,000	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2020  
UNAUDITED

Type of Policy	Insurance Company	Policy Limits	Deductible
CYBER & TECHNOLOGY LIABILITY	XL Group Insurance		
1st Party Coverage		\$ 1,000,000	\$ 15,000
3rd Party Coverage		2,000,000	
Group Aggregate		4,000,000	
WORKERS' COMPENSATION:	Morris Essex Insurance Group		
Limit of Indemnity Per Occurrence:			
(1) Part-One Workers' Compensation		Statutory	
(2) Part-Two - Employer's Liability		5,000,000	
CRIME:	American Alternative Ins. Co.		
Employee Theft		500,000	5,000
Forgery and Alterations		50,000	1,000
EDUCATORS' LEGAL LIABILITY	XL Catlin	1,000,000	10,000
EMPLOYMENT PRACTICES LIABILITY	XL Catlin	1,000,000	20,000
INDIVIDUAL SURETY BONDS:			
Business Administrator/Board Secretary	Selective Insurance Company	500,000	
Treasurer	Selective Insurance Company	300,000	
ATHLETIC ACCIDENT:			
Student Accident Athletics	Arch/US Fire Insurance Company	5,000,000	
Disability Plan - All Athletes	Arch/US Fire Insurance Company	1,000,000	

Source: West Morris Regional High School District records.

SINGLE AUDIT SECTION



200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973.298.8500

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

[nisivoccia.com](http://nisivoccia.com)

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  
West Morris Regional High School District  
County of Morris, 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 Board of Education of the West Morris Regional High School District, in the County of Morris (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 November 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  
West Morris Regional High School District  
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 results 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.

November 16, 2020  
Mount Arlington, New Jersey

*Nisivoccia, LLP*

NISIVOCCIA, LLP

*Kathryn L. Mantell*

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



200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973.298.8500

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

[nisivoccia.com](http://nisivoccia.com)

Independent Member  
BKR International

Report on Compliance For Each Major State Program:  
Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
West Morris Regional High School District  
County of Morris, New Jersey

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

We have audited the Board of Education of the West Morris Regional High School District's (the "District's") compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2020. The District's major 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 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 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 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  
West Morris Regional High School District  
Page 2

***Opinion on Each Major 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 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 state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the 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 that the testing based on the requirements of the Uniform Guidance or NJOMB 15-08. Accordingly, this report is not suitable for any other purpose.

November 16, 2020  
Mount Arlington, New Jersey

*Nisivoccia, LLP*  
NISIVOCCIA, LLP

*Kathryn L. Mantell*  
\_\_\_\_\_  
Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant



WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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	June 30, 2019		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Prior Year Encum- brances Canceled	June 30, 2020		Amount Provided to Sub- recipients
			From	To		Unearned Revenue/ (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Unearned Revenue	
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:														
Medicaid Cluster: Medical Assistance Program (SEMI)	93.778	N/A	7/1/19	6/30/20	\$ 47,662			\$ 47,662	\$ (47,662)					
Total General Fund/Medicaid Cluster								47,662	(47,662)					
Total U.S. Department of Health and Human Services														
U.S. Department of Education: Passed-through State Department of Education:														
Special Revenue Fund: Elementary and Secondary Education Act: Title I	84.010A	ESEA-5660-17	7/1/16	6/30/17	42,714		\$ 2,270						\$ 2,270	
Title II - Parts A and D	84.367	ESEA-5660-20	7/1/19	9/30/20	31,592		\$ 460		(1,425)			\$ (965)		
Title II - Parts A and D	84.367	ESEA-5660-19	7/1/18	6/30/19	34,159		(460)	22,038						103
Title II - Parts A and D	84.367	ESEA-5660-17	7/1/16	6/30/17	34,605		103	22,038	(1,425)			(965)		103
Subtotal Title II - Parts A and D							103	22,038	(1,425)			(965)		103
Total Elementary and Secondary Education Act							2,270	22,038	(1,425)			(965)		2,373
Special Education Cluster:														
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5660-20	7/1/19	9/30/20	594,199			496,827	(570,276)			(40,576)		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5660-19	7/1/18	6/30/19	534,071			(32,873)			\$ 935	\$ 935		
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5660-17	7/1/16	6/30/17	535,917		31,416							31,416
Total Special Education Cluster							31,416	496,827	(570,276)		935	(40,576)		31,416
Total U.S. Department of Education							11,295	518,865	(571,701)		935	(41,541)		33,789
Total Special Revenue Fund							11,295	518,865	(571,701)			(41,541)		33,789
TOTAL FEDERAL AWARDS							\$ 11,295	\$ 566,527	\$ (619,563)		\$ 935	\$ (41,541)		\$ 33,789

N/A - Not Available/Applicable.

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

State Grantor/Program Title	Project Number	Grant Period From To	Program/ Award Amount	June 30, 2019		June 30, 2020		MEMO		
				Budgetary Unearned Revenue/ (Accounts Receivable)	Due to Grantor	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Repayment of Balances	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
State Department of Education:										
General Fund:										
Transportation Aid	20-495-034-5120-014	7/1/19	\$ 1,396,979	\$ 1,264,297	\$ (1,396,979)	\$ (152,682)	\$ 1,396,979			
Transportation Aid	19-495-034-5120-014	7/1/18	1,396,979	132,197	(132,197)					
Special Education	20-495-034-5120-089	7/1/19	2,078,066	1,880,696	(2,078,066)	(197,370)	2,078,066			
Categorical Aid	19-495-034-5120-089	7/1/18	2,078,066	196,648	(196,648)					
Security Aid	20-495-034-5120-084	7/1/19	213,804	193,498	(213,804)	(20,306)	213,804			
Security Aid	19-495-034-5120-084	7/1/18	213,804	202,232	(20,232)					
Equalization Aid	20-495-034-5120-078	7/1/19	313,431	283,662	(313,431)	(29,769)	313,431			
Equalization Aid	19-495-034-5120-078	7/1/18	313,431	29,660	(29,660)					
Adjustment Aid	20-495-034-5120-085	7/1/19	276,868	250,572	(276,868)	(26,296)	276,868			
Adjustment Aid	19-495-034-5120-085	7/1/18	276,868	30,898	(30,898)					
Extraordinary Special	20-495-034-5120-044	7/1/19	608,980	564,030	(608,980)	(608,980)	608,980			
Education Costs	19-495-034-5120-044	7/1/18	608,980		(564,030)					
Nonpublic School	20-495-034-5120-014	7/1/19	13,757		(13,757)	(13,757)	13,757			
Transportation Costs	19-495-034-5120-014	7/1/18	52,412	52,412	(52,412)					
On-Behalf TPAF Contributions:										
Post-Retirement Medical	20-495-034-5094-001	7/1/19	1,552,379	1,552,379	(1,552,379)					
Pension	20-495-034-5094-002	7/1/19	4,110,833	4,110,833	(4,110,833)					
Non-Contributory Insurance	20-495-034-5094-004	7/1/19	73,682	73,682	(73,682)					
Long-Term Disability Insurance	20-495-034-5094-004	7/1/19	3,556	3,556	(3,556)					
Reimbursed TPAF Contributions:										
Social Security Aid	20-495-034-5094-003	7/1/19	1,447,034	1,439,317	(1,447,034)	(7,717)	1,447,034			
Social Security Aid	19-495-034-5094-003	7/1/18	1,293,526	7,519	(7,519)					
Total General Fund State Aid				12,086,088	(12,089,369)	(630,454)				
Special Revenue Fund:										
State Department of Education:										
NJ Nonpublic Aid:										
Textbook Aid (Chapter 194)	20-100-034-5120-064	7/1/19	19,081	19,081	(19,081)				19,081	
Nursing Services (Chapter 226)	20-100-034-5120-070	7/1/19	35,211	35,211	(35,211)				35,211	
Auxiliary Services (Chapter 192):										
Home Instruction	19-100-034-5120-067	7/1/18	625	625	(625)					
Handicapped Services (Chapter 193):										
Examination & Classification	20-100-034-5120-066	7/1/19	12,267	11,041	(7,623)	(1,226)	\$ 4,644		7,623	
Examination & Classification	19-100-034-5120-066	7/1/18	14,569	\$ 4,191						
Supplementary Instruction	20-100-034-5120-066	7/1/19	13,761	12,385	(9,714)	(1,376)	4,047		9,714	
Supplementary Instruction	19-100-034-5120-066	7/1/18	16,652	3,805						
Technology Initiative	20-100-034-5120-373	7/1/19	13,032	13,032	(13,032)				13,032	
Technology Initiative	19-100-034-5120-373	7/1/18	12,656	1	(1)					
Total State Department of Education				91,375	(84,661)	(2,602)	8,691		84,661	
Total Special Revenue Fund				91,375	(84,661)	(2,602)	8,691		84,661	

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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/Award Amount	June 30, 2019		June 30, 2020		MEMO		
				Budgetary Unearned Revenue/(Accounts Receivable)	Due to Grantor	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT DETERMINATION				\$ (1,034,221)	\$ 7,997	\$ 12,177,463	\$ (12,174,030)	\$ (7,997)	\$ (1,036,877)	\$ 12,174,030
Less - State Awards Not Subject to Single Audit Major Program Determination:										
On-Behalf TPAF Pension System Contributions:										
Post-Retirement Medical Pension							1,552,379			
Non-Contributory Insurance							4,110,833			
Long-Term Disability Insurance							73,682			
							3,556			
Subtotal On-Behalf TPAF Pension System Contributions							5,740,450			
TOTAL STATE AWARDS SUBJECT TO SINGLE AUDIT MAJOR PROGRAM DETERMINATION							\$ (6,433,580)			

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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, West Morris Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2020. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’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. This basis of accounting is described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the 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. Pass-through identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

The District has not elected 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 fiscal 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 final two state aid payments for the prior fiscal year and current fiscal year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, the final two state aid payments for the current fiscal year are not recognized until the subsequent budget year due to the state deferral and recording of those payments in the subsequent fiscal year and the final two state aid payments for the prior fiscal year are recognized in the current fiscal 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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 revenue from the budgetary basis to the GAAP basis is \$3,212 for the General Fund and \$32,443, including \$15,175 of local grant encumbrances, for the Special Revenue Fund. 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 basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ 47,662	\$ 12,092,581	\$ 12,140,243
Special Revenue Fund	588,969	84,661	673,630
Total Financial Awards	\$ 636,631	\$ 12,177,242	\$ 12,813,873

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

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.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
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 state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on all major 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 was not subject to the single audit provisions of the Uniform Guidance for fiscal year end June 30, 2020 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Circular.

- The District's state programs tested as major programs for the current fiscal year were the following:

	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	\$ 1,396,979	\$ 1,396,979
Nonpublic Transportation Costs	20-495-034-5120-014	7/1/19-6/30/20	13,757	13,757
Reimbursed TPAF Contributions:				
Social Security Aid	20-495-034-5094-003	7/1/19-6/30/20	1,447,034	1,447,034

- The threshold used for distinguishing between Type A and Type B 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 state programs.

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

(Continued)

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:

- Not Applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

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

WEST MORRIS REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Status of Prior Fiscal Year Findings:

There were no findings or questioned costs for the prior fiscal year ended June 30, 2019.