



***SCHOOL DISTRICT  
OF  
TOWN OF WESTFIELD***

***TOWN OF WESTFIELD BOARD OF EDUCATION***

***COUNTY OF UNION  
WESTFIELD, NEW JERSEY***

***COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR  
ENDED JUNE 30, 2020***

**HODULIK & MORRISON, P.A.**

A division of



**TOWN OF WESTFIELD SCHOOL DISTRICT  
COUNTY OF UNION, NEW JERSEY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
June 30, 2020**

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## **INTRODUCTORY SECTION**



# WESTFIELD PUBLIC SCHOOLS

*A Tradition of Excellence*

Margaret Dolan  
Superintendent

302 Elm Street \* Westfield \* New Jersey \* 07090  
908-789-4414  
[www.westfieldnj.k12.org](http://www.westfieldnj.k12.org)

Dana Sullivan  
Business Administrator/  
Board Secretary

January 27, 2021

Honorable President and  
Members of the Board of Education  
Town of Westfield School District  
County of Union, New Jersey

Dear Board Members:

The comprehensive annual financial report (CAFR) of the Town of Westfield School District (District) as of and 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 district management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, created the current reporting model of financial information and disclosure. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Position and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund based financial statements of the past into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net position should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year. Financial data is presented for both the current and immediately preceding school years to facilitate a meaningful analysis of the changes in financial position and operating results during this two year period.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter and lists of principal officials and consultants and advisors. The financial section includes the general purpose financial statements and schedules, as well as the auditors' report thereon, and MD&A.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, Amendments of 1996, and single audit requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and NJ OMB circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments. Information related to this single audit, including the auditors' report on internal control and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and its Services: The Town of Westfield School District is an independent reporting entity within the criteria adopted by the GASB. All funds and the Government-wide financial statements of the District are included in this report. The Town of Westfield Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, bilingual as well as special education for educationally handicapped youngsters.

The following details the changes in the student enrollment of the district over the last ten years.

<u>Fiscal Year</u>	<u>Average Daily Student Enrollment</u>	<u>Percent Change</u>
2019-2020	6,202	0.2%
2018-2019	6,191	-2.8%
2017-2018	6,375	0.1%
2016-2017	6,366	0.7%
2015-2016	6,321	0.3%
2014-2015	6,303	-1.0%
2013-2014	6,371	0.5%
2012-2013	6,334	0.6%
2011-2012	6,296	0.1%
2010-2011	6,293	0.4%

2. Economic Condition and Outlook: The Town of Westfield is a stable community with a 2010 census population of 30,316. Its 6.7 square miles are basically residential in nature with 11 industrial acres; 336, commercial; 2,702, residential; and 79.96 acres for school buildings and fields. A sturdy Colonial heritage and strong commitment to education and voluntarism form the backbone of Westfield's citizens. According to the 2010 census, the median household income was \$128,418 and per capita income was \$61,322. The per capita income for the County of Union as reported in the 2010 census was \$33,670.

There is little space for new housing expansion - thus, the tax base is rather stable. Housing units increased 3% since 1980. The Town underwent a property revaluation for 2019. Based upon the revaluation, the average home is assessed at \$795,000, and this amount also reflects the estimated current market value..

Property taxes provided 94% of the District's General Fund budgeted revenues for the 2019-20 school year. This percentage is consistent with prior years. Fluctuations in the percent of the budget supported by property taxes is largely due to fluctuations in state aid provided to the district.

The town has been named a Main Street Community by the Office of Historic Preservation in Trenton, with town-wide efforts underway to revitalize the downtown area.

There is a cooperative, collegial spirit between the Westfield Mayor and Town Council and the elected Board of Education.

3. Major Initiatives: Initiatives and achievements in 2019-2020 by Westfield students and staff included the following:

- 94% of Westfield High School graduates are pursuing a higher education.
- 170 Westfield High School students were inducted into the National Honor Society.
- 4 National Merit Finalists, and 20 Commended Students in the 2019 National Merit Scholarship Program.
- 3 Westfield High School seniors named 2019-2020 National Hispanic Scholars
- 166 Westfield High School students earned Advanced Placement Scholar Awards.
- 50 perfect SAT or ACT standardized test scores were earned by Westfield High School students.
- Westfield High School Model United Nations Club student delegation received several awards at the annual conference, including the Outstanding Delegation Award.
- Westfield High School 9<sup>th</sup> grader received the President's Volunteer Service Award.
- 84 Westfield High School students earned awards in the 2019 National French, Italian and Latin exams.
- 102 Westfield High School seniors attained the Seal of Biliteracy, an award granted to students who attain proficiency in two or more languages by high school graduation.
- Edison 8<sup>th</sup> grader competed in the quarterfinals of the Georgetown International Debate Tournament.
- Washington Elementary School was named a 2019 National Blue Ribbon School.
- For a third consecutive year, the Westfield Public School District was named one of the "Best Communities for Music Education" in the nation.
- Two student vocalists from Westfield High School were accepted into the All-Eastern Chorus, 13 performed with the All-State Chorus, and 20 performed with the Region II Honor Chorus.
- Five Westfield High School students performed with the All-State Band, and 8 performed with the Region II Band and Orchestra.
- 14 intermediate students performed with the Region II Intermediate Band and Orchestra.
- Westfield students and staff received prestigious awards at the Montclair State University Theatre Night Awards.
- 28 of our 2020 graduating student-athletes are participating at the collegiate level.
- Student-athletes excelled on and off the field, with 1 team earning a state sectional title and 6 teams winning county championships.
- A female runner won the Meet of Champions for Indoor Track and Field, becoming the first female runner in WHS history to place first in a MOC individual race.
- Westfield High School relay team won the state championship for Girls Indoor Track and Field.
- Westfield High School senior won his 4<sup>th</sup> consecutive county wrestling title, ranking 4<sup>th</sup> in the state by nj.com in his weight class.
- Westfield High School senior captured the Cross Country sectional title for a second consecutive year.



- A student athlete was named state Scholar Athlete and 2 student athletes were named county Scholar Athletes.
- The head varsity wrestling coach broke the record for most wins in the wrestling program's history. Head football coach reached his 100<sup>th</sup> career victory and head girls volleyball coach earned her 500<sup>th</sup> varsity win. A freshman girls field hockey coach celebrated her 100<sup>th</sup> win.
- The Lady Blue Devil basketball team recorded the 600<sup>th</sup> win in the history of Westfield High School women's basketball.
- Three Westfield teams placed 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> in various categories of the regional Odyssey of the Mind tournament.
- Charitable fundraising efforts across Westfield Public Schools continued throughout the year with food drives, winter coat collections, holiday gift giving, and many other service-based initiatives.

4. Management's Responsibility for Financial Reporting: The management of the school district is responsible for the preparation of the financial statements included within the CAFR and for their integrity and objectivity. In order to enable the District to fulfill its obligation for accurate and fair financial reporting, management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial 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 financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

5. Budgetary Controls: In addition to internal 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 year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2020. General Fund encumbrances at June 30, 2020 were \$1,394,601.

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 and account groups. These funds and the government-wide financial statements are explained in "Notes to the Financial Statements", Note 1.
7. Financial Information at Fiscal Year-End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, capital projects funds and debt service fund for the fiscal year ended June 30, 2020 and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>2019-2020</u>	<u>Percent of Total</u>	<u>2018-2019</u>	<u>Increase/ (Decrease)</u>
Local Tax Levy	\$ 104,749,790	79.07%	\$ 101,933,988	\$ 2,815,802
Other Local Sources	2,014,920	1.52%	2,593,914	(578,994)
State Sources	23,946,661	18.08%	24,584,827	(638,166)
Federal Sources	<u>1,757,887</u>	<u>1.33%</u>	<u>1,803,964</u>	<u>(46,077)</u>
Total	<u>\$ 132,469,258</u>	<u>100.00%</u>	<u>\$ 130,916,693</u>	<u>\$ 1,552,565</u>

The Schedules of Expenditures of Federal Awards and State Financial Assistance, as included in the Single Audit section of the CAFR, provides the status of all state and federal financial assistance received by the District.

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

<u>Expenditures</u>	<u>2019-2020</u>	<u>Percent of Total</u>	<u>2018-2019</u>	<u>Increase/ (Decrease)</u>
Current Expenses:				
Instruction	\$ 46,041,421	34.83%	\$ 46,100,022	\$ (58,601)
Undistributed Expenditures	71,560,498	54.14%	71,188,585	371,913
Capital Outlay	730,573	0.55%	1,762,027	(1,031,454)
Special Revenues	2,564,289	1.94%	2,390,488	173,801
Debt Service:				
Principal	3,500,000	2.65%	3,435,000	65,000
Interest	608,513	0.46%	680,475	(71,963)
Capital Projects	<u>7,176,477</u>	<u>5.43%</u>	<u>4,631,671</u>	<u>2,544,806</u>
	<u>\$ 132,181,771</u>	<u>100.00%</u>	<u>\$ 130,188,268</u>	<u>\$ 1,993,502</u>

Expenditures for 2019-2020, excluding capital outlay/capital project costs, varied by only minimal amounts from the prior period.

8. Debt Administration: The total debt outstanding for the District was \$23,441,000 as of June 30, 2020.
9. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Financial Statements", Note 2. The District deposits its 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.
10. Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Umbrella and excess umbrella coverages were also in effect to minimize the District's loss exposure. The Board is a member of the New Jersey Schools Insurance Group.
11. Other Information:
  - A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, P.A., a division of PKF O'Connor Davies, CPA's, was selected by the Board. 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 of 1984, as amended, and related grant guidance and OMB circular 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
12. Acknowledgments:

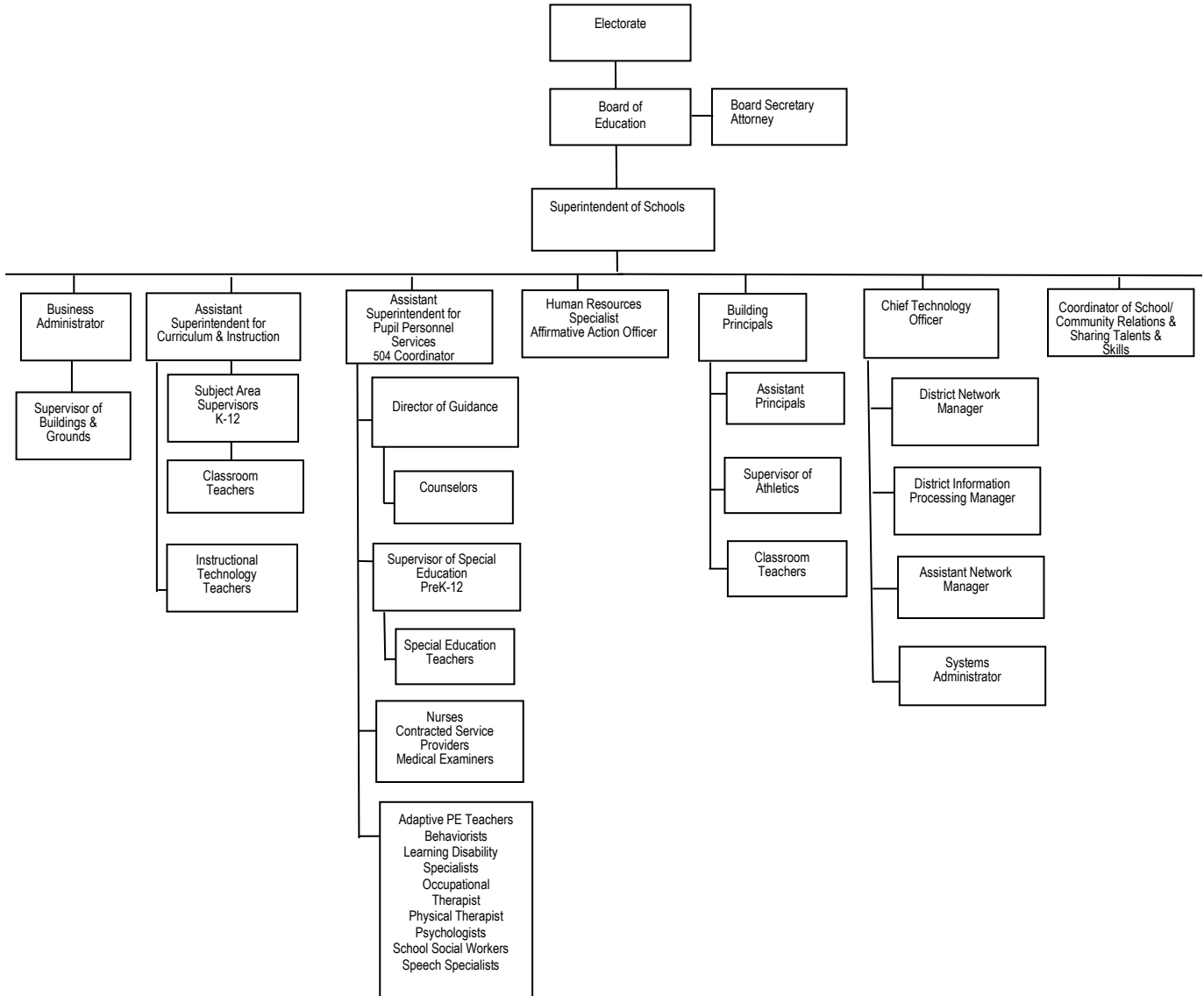
We would like to express our appreciation to the members of the Westfield School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The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

Respectfully submitted,

  
\_\_\_\_\_  
Margaret Dolan Ed.D  
Superintendent

  
\_\_\_\_\_  
Dana Sulliyon  
School Business Administrator/Board Secretary

**1110 ORGANIZATIONAL CHART**



Classroom Paraprofessionals report to Building Principal or designated Administrator  
 Custodians report to Building Principals  
 Maintenance and Elm Street Custodians report to Supervisor of Buildings and Grounds  
 Secretaries report to Building Principals or designated Administrator  
 Technicians report to Chief Technology Officer

Approved: November 6, 2007  
 Revised: December 7, 2010  
 Revised: August 28, 2012  
 Revised: December 10, 2013  
 Reviewed: December 11, 2014  
 Revised: February 28, 2017  
 Revised: March 27, 2018  
 Revised: February 4, 2020

**TOWN OF WESTFIELD BOARD OF EDUCATION  
UNION COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2020**

**Members of the Board of Education**

**Term Expires**

Margaret Oster, President	2020
Amy Root, Vice-President	2022
Michael Bielen	2022
Kent Diamond	2020
J. Brendan Galligan	2022
Robert Garrison	2021
Brian Morrissey	2020
Gretchan Ohlig	2021
Tara Oporto	2021

**Other Officials**

Margaret Dolan, Ed. D., Superintendent of Schools  
Dana Sullivan, Business Administrator/Board Secretary  
Richard J. Kaplow, Esq., Board Attorney

**WESTFIELD BOARD OF EDUCATION  
Consultants and Advisors**

**Architects**

Fraytak, Veiz, Hopkins  
P.O. Box 7371  
Trenton, NJ 08628

**Audit Firm**

PKF O'Connor Davies LLP  
20 Commerce Drive, Suite 301  
Cranford, NJ 07016

**Board Attorney**

Richard J. Kaplow, Esq.  
53 Elm Street  
Westfield, NJ 07090

**Labor/General Counsel**

Adams Gutierrez & Lattiboudere, LLC  
1037 Raymond Boulevard, Suite 900  
Newark, NJ 07102

**Bond Counsel**

McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue  
Roseland, NJ 07068

**Financial Advisors**

Pheonix Advisors, LLC  
Bordentown, NJ

**Official Depository**

Valley National Bank  
801 Central Avenue  
Westfield, NJ 07090

**FINANCIAL SECTION**

# HODULIK & MORRISON, P.A.



## **INDEPENDENT AUDITORS' REPORT**

Honorable President and Members  
of the Board of Education  
Westfield School District  
Westfield, New Jersey

### **Report on 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 Westfield School District, in the County of Union, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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 the accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion 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 and 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

1102 Raritan Avenue, Highland Park, NJ 08904  
Tel: 732.393.1000 | Fax: 732.393.1196

20 Commerce Drive, Suite 301, Cranford, NJ 07016  
Tel: 908.272.6200 | Fax: 908.272.2416

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.



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, business-type activities, each major fund, and the aggregate remaining fund information of the Westfield School District, in the County of Union, State of New Jersey, as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of the District's proportionate share of the net pension liability-PERS, schedule of District pension contributions-PERS, schedule of the State's proportionate share of the net pension liability associated with the District-TPAF, schedule of the State's proportionate share of the net OPEB liability and changes in the total OPEB liability and related ratios - PERS and TPAF, and budgetary comparison information as identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, consisting of the combining and individual fund financial statements and long-term debt schedules, the schedule of expenditures of federal 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, the schedule of state financial assistance, required by New Jersey OMB Circular 15-08, and the other information, such as the introductory section and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, long-term debt schedules, schedule of expenditures of federal awards and schedule of state financial assistance are the responsibility of management and are 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules,

schedule of expenditures of federal awards and schedule of state financial assistance are fairly stated in all material respects in relation to the financial statements as a whole.

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

**Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2021 on our consideration of the District's internal control over financial reporting and 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 our audit performed in accordance with *Government Auditing Standards* in considering the Westfield School District's internal control over financial reporting and compliance.

*Hodulik & Morrison, P.A.*

HODULIK & MORRISON, P.A.  
A division of PKF O'Connor Davies  
Certified Public Accountants  
Registered Municipal Accountants  
Public School Accountants

*Andrew G. Hodulik*

Andrew G. Hodulik  
Public School Accountant  
PSA # 841

Cranford, New Jersey  
January 27, 2021

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**PART I**

**WESTFIELD SCHOOL DISTRICT**  
**Westfield, New Jersey**  
**Union County, New Jersey**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**  
**(Unaudited)**  
**June 30, 2020**

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2019. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is Required Supplementary Information specified by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

The key financial highlights for the 2019-2020 fiscal year include the following:

Governmental funds reported a total fund balance of \$24,698,936, which is a \$256,621 increase from last year's total governmental fund balance. This increase was due to an increase in local sources of income in the current year. The general or operating fund balance was reported for GAAP purposes at \$23,397,658 which represents an increase of \$6,747,274 over the prior year. Of this total, \$1,465,696 of excess surplus was appropriated toward the 2020-2021 budget, and an additional \$1,009,492 has been designated for the 2020-2021 budget. \$1,394,601 of general fund balance was assigned to cover open purchase orders at year-end. Based upon the reduction imposed by S1701 in the calculation of maximum restricted fund balance that the District is allowed to retain, the amount of general fund balance required to be reserved for tax relief in the 2020-2021 budget is \$1,863,906. The unassigned general fund balance is reported at \$2,133,501. General fund balance is at the maximum permitted under the Department of Education regulations based upon 2% of general fund expenditures, with specified modifications. Total spending for all governmental funds was \$132,181,770. Total revenues were \$132,469,258 resulting in an excess of revenues over expenditures of \$287,487 for the year.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationship in which the district acts solely as a trustee or agent for the benefits of others.

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

**Figure A-1**

### *Organization of the School District Annual Financial Report*

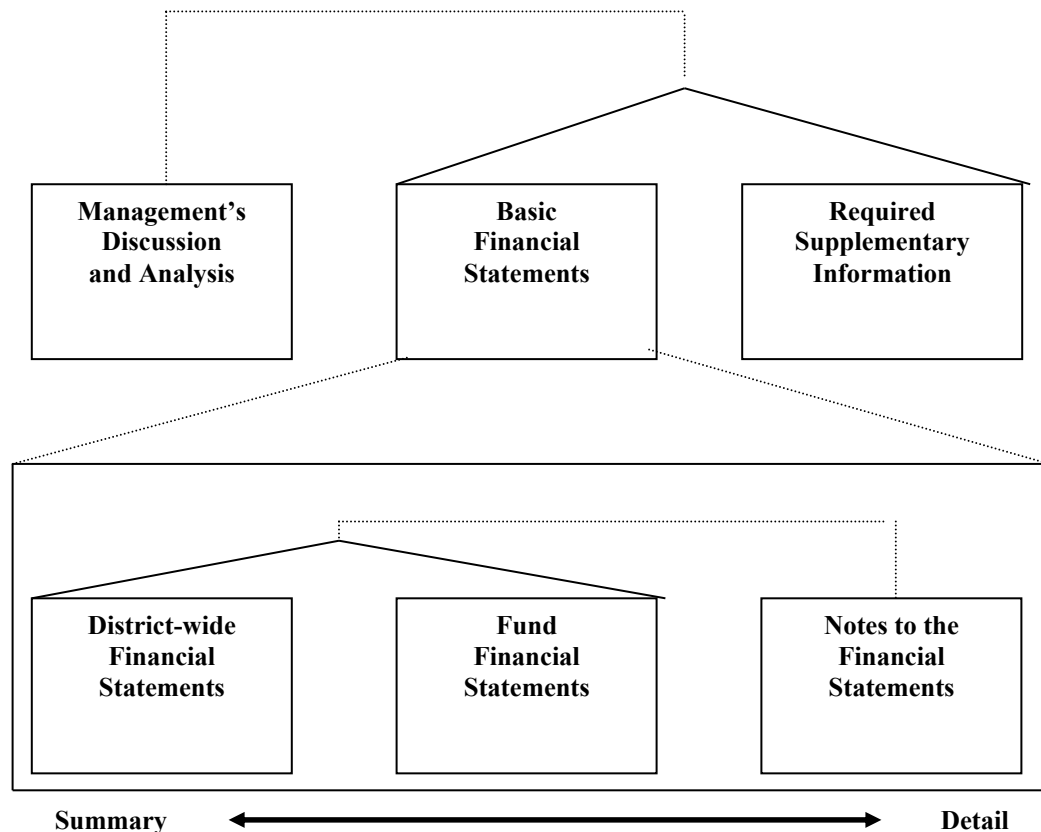


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

Figure A-2 Major Features of the District-Wide and Fund Financial Statements				
	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net assets</li> <li>• Statement of changes in fiduciary net position</li> </ul>
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

## **District-wide Statements**

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

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

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

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

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

## **Fund Financial Statements**

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

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

The district has three types of funds:

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

Proprietary funds: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.

Fiduciary funds: The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

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

The school district's Governmental Activities net position was \$30,874,925 at June 30, 2020. Of this amount, a deficit amount of \$25,007,199 was reported as unrestricted net position, primarily due to GASB #68 accounting and reporting requirements for the PERS and TPAF defined benefit pension systems. Restricted net positions are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.



**Figure A - 3**  
**Net Position at June 30, 2020**

	<b>Governmental Activities 2019</b>	<b>Governmental Activities 2020</b>	<b>Amount Difference</b>	<b>% Increase (Decrease)</b>
<b>Assets</b>				
Current and other assets	\$ 26,301,514	\$ 26,337,352	\$ 35,838	0.14%
Capital assets	<u>53,917,612</u>	<u>59,303,718</u>	<u>5,386,106</u>	9.99%
<b>Total Assets</b>	<b>\$ <u>80,219,126</u></b>	<b>\$ <u>85,641,070</u></b>	<b>\$ <u>5,421,944</u></b>	<b>6.76%</b>
<b>Deferred Outflows of Resources</b>				
	<u>7,029,087</u>	<u>5,144,842</u>	<u>(1,884,245)</u>	-26.81%
<b>Total Deferred Outflows of Resources</b>	<b>\$ <u>7,029,087</u></b>	<b>\$ <u>5,144,842</u></b>	<b>\$ <u>(1,884,245)</u></b>	<b>-26.81%</b>
<b>Liabilities</b>				
Current and other liabilities	3,364,375	3,246,061	(118,313)	-3.52%
Long-term liabilities	<u>52,652,603</u>	<u>47,405,115</u>	<u>(5,247,487)</u>	-9.97%
<b>Total Liabilities</b>	<b>\$ <u>56,016,977</u></b>	<b>\$ <u>50,651,176</u></b>	<b>\$ <u>(5,365,801)</u></b>	<b>-9.58%</b>
<b>Deferred Inflows of Resources</b>				
	<u>9,505,028</u>	<u>9,259,810</u>	<u>(245,218)</u>	-2.58%
<b>Total Deferred Inflows of Resources</b>	<b>\$ <u>9,505,028</u></b>	<b>\$ <u>9,259,810</u></b>	<b>\$ <u>(245,218)</u></b>	<b>-2.58%</b>
<b>Net Position</b>				
Invested in capital assets, net	26,976,612	35,862,718	8,886,106	32.94%
Restricted	21,059,726	20,019,406	(1,040,320)	-4.94%
Unrestricted	<u>(26,310,130)</u>	<u>(25,007,199)</u>	<u>1,302,931</u>	-4.95%
<b>Total Net Position</b>	<b>\$ <u>21,726,208</u></b>	<b>\$ <u>30,874,925</u></b>	<b>\$ <u>9,148,717</u></b>	<b>42.11%</b>

The results of this year's operations for the school district Governmental Activities and Business-type Activities are reported in the Statement of Activities (Exhibit A-2). Figure A - 4, below, takes the information from that financial statement, rounds off the numbers, and rearranges them so slightly so you can see the District's total revenues and expenses for the year.

**Figure A - 4**  
**Change in Net Position for the Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Amount Difference</u>	<u>Percentage Increase (Decrease)</u>
	<u>2019</u>	<u>2020</u>		
<b>Revenues:</b>				
Program revenue				
Operating Grants and Contributions	\$ 32,625,857	\$ 24,396,371	(8,229,486)	-25.22%
General revenue				
Local tax levy	101,933,988	104,749,790	2,815,802	2.76%
Federal and state aid	5,563,232	4,888,361	(674,871)	-12.13%
Miscellaneous revenues	2,593,914	1,952,576	(641,338)	-24.72%
<b>Total revenues</b>	<b>\$ 142,716,991</b>	<b>\$ 135,987,098</b>	<b>(6,729,893)</b>	<b>-4.72%</b>
<b>Function/program expense:</b>				
Instruction				
Regular programs	37,571,944	36,944,281	(627,663)	-1.67%
Special programs	9,766,996	11,312,698	1,545,702	15.83%
Other Instructional programs	2,942,091	1,815,169	(1,126,922)	-38.30%
Support services				
Student services	14,151,973	14,170,552	18,579	0.13%
Tuition	5,139,929	5,597,633	457,705	8.90%
General administration and				
business services	4,141,012	3,512,032	(628,981)	-15.19%
School administration	3,420,531	4,487,540	1,067,009	31.19%
Plant services	6,152,407	6,232,723	80,317	1.31%
Pupil transportation	3,171,761	2,949,490	(222,271)	-7.01%
Unallocated benefits	47,488,977	38,579,855	(8,909,123)	-18.76%
Unallocated depreciation and amortization	632,123	575,603	(56,521)	-8.94%
Interest on long-term debt	744,088	629,941	(114,147)	-15.34%
<b>Total expenses</b>	<b>\$ 135,323,832</b>	<b>\$ 126,807,515</b>	<b>(8,516,316)</b>	<b>-6.29%</b>
Transfers (From) or To	(40,175)	(30,866)	9,309	-23.17%
<b>Increase (Decrease) net position</b>	<b>\$ 7,352,984</b>	<b>\$ 9,148,717</b>	<b>1,795,733</b>	<b>24.42%</b>

**Figure A - 4**  
**Change in Net Position year ended June 30,**

	<u>Business-Type Activities</u>		<u>Amount Difference</u>	<u>Percentage Increase (Decrease)</u>
	<u>2019</u>	<u>2020</u>		
<b>Revenues:</b>				
Program revenue				
Charges for Services	\$ 2,094,819	\$ 1,518,904	\$ (575,915)	-27.49%
Operating Grants and Contributions	89,447	5,435	(84,012)	-93.92%
Miscellaneous revenues	27,652	23,780	(3,872)	-14.00%
<b>Total revenues</b>	<b>\$ 2,211,917</b>	<b>\$ 1,548,119</b>	<b>\$ 663,799</b>	<b>42.88%</b>
<b>Expenses :</b>				
Food Service	1,348,600	953,918	(394,682)	-29.27%
WRAP Program	512,422	404,657	(107,765)	-21.03%
<b>Total expenses</b>	<b>\$ 1,861,022</b>	<b>\$ 1,358,575</b>	<b>\$ (502,447)</b>	<b>-27.00%</b>
Loss on Disposal of Assets	(120,362)	-	120,362	-100.00%
<b>Increase (Decrease) net position</b>	<b>\$ 350,896</b>	<b>\$ 189,544</b>	<b>(161,352)</b>	<b>-45.98%</b>

In figure A-5 below, we have presented the cost of each of the school district's functions for the current year and prior year. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by each function.

**Figure A - 5**  
**Governmental Activities - Total Cost of Services**

	<b>2019</b>	<b>2020</b>	<b>Increase (Decrease)</b>	
			<b>\$</b>	<b>%</b>
<b>Function/program expense:</b>				
Instruction				
Regular programs	\$37,571,944	\$36,944,281	(\$627,663)	-1.7%
Special programs	10,945,789	11,312,698	366,908	3.4%
Other Instructional programs	1,763,297	1,815,169	51,871	2.9%
Support services				
Student services	14,151,973	14,170,552	18,579	0.1%
Tuition	5,139,929	5,597,633	457,705	8.9%
Instructional staff support				
General administration and business services	4,141,012	4,487,540	346,528	8.4%
School administration	3,420,531	3,512,032	91,501	2.7%
Plant services	6,152,407	6,232,723	80,317	1.3%
Student transportation	3,171,761	2,949,490	(222,271)	-7.0%
Unallocated benefits	47,488,977	38,579,855	(8,909,123)	-18.8%
Unallocated depreciation and amortization	632,123	575,603	(56,521)	-8.9%
Interest on long-term debt	744,088	629,941	(114,147)	-15.3%
<b>Total</b>	<b>\$135,323,833</b>	<b>\$126,807,515</b>	<b>(\$8,516,317)</b>	<b>-6.3%</b>

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$24,698,936, which is an increase of \$256,621 from last year. This amount includes the general fund (increase of \$6,747,274), capital projects fund (decrease of 6,490,651.94), and debt service fund (no change). The primary reasons for the increase/decrease are:

1. Favorable budget variances of general fund balance, and contributions to capital and maintenance reserve accounts.
2. Use of capital reserves to finance capital projects without the need for debt issuances.

### **General Fund Budgetary Highlights**

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus. Actual revenues reflect a positive variance of \$18.13 million. This is due primarily to the State reimbursement/on behalf payments in the amount of \$17.24 million for TPAF pension, post retirement and social security contributions. This is always a non-budgeted item that the State (and GAAP) require to be included in the final audited financial statements.

Actual expenditures reflect a negative variance of \$8.98 million even though all budget categories show a positive variance. This again is primarily due to the State requirement to include TPAF pension and post retirement and social security contributions in the audit.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

At June 30, 2020, the school district reported \$110,351,871 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, vehicles, furniture and equipment. This amount represents a net increase (including additions, trade-ins and retirements) of \$8,681,778 from the prior year. Figure A-6 details the composition of capital assets at June 30<sup>th</sup> of the current and prior year and the net changes for the current year.

**Figure A - 6**  
**Governmental Activity Capital Assets at Year-End June 30**

	<b>FY 2019</b>	<b>FY 2020</b>	<b>Increase Decrease</b>
Land	\$4,488,200	\$4,488,200	\$ -
Construction in Progress	4,909,980	6,773,172	1,863,192
Buildings and Improvements	76,724,679	83,036,387	6,311,708
Furniture, Equipment and Vehicles	15,763,826	16,054,112	290,286
<b>Total</b>	<b>\$101,886,685</b>	<b>\$110,351,871</b>	<b>\$8,465,186</b>

**Long-Term Liabilities**

At the end of this year, the school district had \$23,441,000 in bonds (Type II debt) outstanding versus \$26,941,000 last year – a decrease of 13%. The summary of year-end long-term liabilities and changes for the 2019-2020 school year is as follows:

**Figure A - 7**  
**Outstanding Long-Term Liabilities at Year-End**

	<b>Governmental Activities</b>	
	<b>2019</b>	<b>2020</b>
School Serial Bonds Payable	\$ 26,941,000	\$ 23,441,000
Other Long Term Liabilities:		
Net Pension Liability	24,156,948	22,436,433
Compensated Absences Payable	837,152	902,541
Unamortized Premium on Bonds	717,503	625,141
<b>Total</b>	<b>\$ 52,652,603</b>	<b>\$ 47,405,115</b>

## **FACTORS AFFECTING THE DISTRICT'S FUTURE**

- The largest expenditure in the school budget is for employee salaries and wages. Contracts with the Administrators & Supervisors will expire on June 30, 2020. Negotiations with all employee associations will affect future budgets.
- The enrollment in the district is continuing to remain stable.
- The district maintains twelve facilities, ten of which are schools. The district continues to budget for capital improvements in accordance with the State approved Long Range Facilities Plan.

## **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Dana Sullivan, Business Administrator/Board Secretary, at Westfield Board of Education, 302 Elm Street, Westfield, New Jersey 07090.

## **BASIC FINANCIAL STATEMENTS**



**DISTRICT-WIDE FINANCIAL STATEMENTS**  
**SECTION – A**

**WESTFIELD SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ 7,726,450.94	\$ 1,538,240.65	\$ 9,264,691.59
Other Receivables	841,677.03	2,147.17	843,824.20
Receivables from Other Governments	2,238,761.61		2,238,761.61
Inventory		19,951.44	19,951.44
Restricted Assets:			
Capital Reserve Account - Cash	12,896,987.00		12,896,987.00
Maintenance Reserve Account - Cash	1,633,475.00		1,633,475.00
Emergency Reserve - Cash	1,000,000.00		1,000,000.00
Capital Assets, Net	59,303,718.00	351,872.60	59,655,590.60
<b>Total Assets</b>	<b>85,641,069.58</b>	<b>1,912,211.86</b>	<b>87,553,281.44</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension Deferrals	4,947,012.00		4,947,012.00
Deferred Amount on Refinancing	197,829.63		197,829.63
<b>Total Deferred Outflows of Resources</b>	<b>5,144,841.63</b>	<b>-</b>	<b>5,144,841.63</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	1,688,026.69	18,344.30	1,706,370.99
Accrued Interest Payable	209,156.84		209,156.84
Accrued Liabilities	956,200.00		956,200.00
Payable to Other Governments	80,158.00		80,158.00
Deferred Revenue	312,519.57	146,678.87	459,198.44
Noncurrent Liabilities:			
Due Within One Year	3,206,528.72		3,206,528.72
Due Beyond One Year	21,762,153.64		21,762,153.64
Net Pension Liability	22,436,433.00		22,436,433.00
<b>Total Liabilities</b>	<b>50,651,176.46</b>	<b>165,023.17</b>	<b>50,816,199.63</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension Deferrals	9,259,810.00		9,259,810.00
<b>Total Deferred Inflows of Resources</b>	<b>9,259,810.00</b>	<b>-</b>	<b>9,259,810.00</b>
<b><u>NET POSITION</u></b>			
Invested in capital assets, net	35,862,718.00	351,872.60	36,214,590.60
Restricted for:			
Debt Service	123,734.71		123,734.71
Capital Projects	1,177,544.10		1,177,544.10
Other Purposes	18,718,127.00		18,718,127.00
Unrestricted (Deficit)	(25,007,199.06)	1,395,315.86	(23,611,883.20)
<b>Total Net Position</b>	<b>\$ 30,874,924.75</b>	<b>\$ 1,747,188.46</b>	<b>\$ 32,622,113.21</b>

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

**WESTFIELD SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 36,944,281.47		\$ 58,263.67	\$ (36,886,017.80)		\$ (36,886,017.80)
Special Education	10,011,543.51		1,325,745.55	(8,685,797.96)		(8,685,797.96)
Other Special Instruction	1,301,154.17			(1,301,154.17)		(1,301,154.17)
Other Instruction	1,815,168.88			(1,815,168.88)		(1,815,168.88)
Support Services:						
Tuition	5,597,633.30		1,494,821.00	(4,102,812.30)		(4,102,812.30)
Student & Instruction Related Services	14,170,551.62		179,938.49	(13,990,613.13)		(13,990,613.13)
School Administrative Services	3,512,031.74			(3,512,031.74)		(3,512,031.74)
General and Business Administrative Services	4,487,539.78			(4,487,539.78)		(4,487,539.78)
Plant Operations and Maintenance	6,232,723.10			(6,232,723.10)		(6,232,723.10)
Pupil Transportation	2,949,489.76		575,681.00	(2,373,808.76)		(2,373,808.76)
Unallocated Benefits	38,579,854.61		20,761,922.10	(17,817,932.51)		(17,817,932.51)
Interest on Long-Term Debt	629,940.58			(629,940.58)		(629,940.58)
Unallocated Depreciation and Amortization	575,602.90			(575,602.90)		(575,602.90)
<b>Total Governmental Activities</b>	<b>126,807,515.42</b>		<b>24,396,371.81</b>	<b>(102,411,143.61)</b>		<b>(102,411,143.61)</b>
Business-Type Activities:						
Food Service	953,918.24	1,059,003.79	5,434.68		110,520.23	110,520.23
WRAP School	404,656.51	459,900.00			55,243.49	55,243.49
<b>Total Business-Type Activities</b>	<b>1,358,574.75</b>	<b>1,518,903.79</b>	<b>5,434.68</b>		<b>165,763.72</b>	<b>165,763.72</b>
<b>Total Primary Government</b>	<b>\$ 128,166,090.17</b>	<b>\$ 1,518,903.79</b>	<b>\$ 24,401,806.49</b>	<b>\$ (102,411,143.61)</b>	<b>\$ 165,763.72</b>	<b>\$ (102,245,379.89)</b>
General Revenues:						
Taxes:						
Taxes Levied for General Purposes, Net				\$ 101,420,397.00		\$ 101,420,397.00
Taxes Levied for Debt Service				3,329,393.00		3,329,393.00
Federal and State Aid Not Restricted				4,478,011.07		4,478,011.07
Federal and State Aid Restricted				410,349.45		410,349.45
Tuition Received				37,005.00		37,005.00
Investment Earnings				571,427.36	23,780.13	595,207.49
Miscellaneous Income				1,344,143.97		1,344,143.97
Total General Revenues				111,590,726.85	23,780.13	111,614,506.98
Transfers				(30,866.00)		(30,866.00)
<b>Total General Revenues and Other Sources/(Uses)</b>				<b>111,559,860.85</b>	<b>23,780.13</b>	<b>111,583,640.98</b>
<b>Change in Net Position</b>				<b>9,148,717.24</b>	<b>189,543.85</b>	<b>9,338,261.09</b>
Net Position—Beginning				21,726,207.51	1,557,644.61	23,283,852.12
<b>Net Position—Ending</b>				<b>\$ 30,874,924.75</b>	<b>\$ 1,747,188.46</b>	<b>\$ 32,622,113.21</b>

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

**FUND FINANCIAL STATEMENTS**

**SECTION – B**

**GOVERNMENTAL FUNDS**

**WESTFIELD SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

Exhibit B-1  
Page 1 of 2

<b><u>ASSETS</u></b>	<b><u>GENERAL FUND</u></b>	<b><u>SPECIAL REVENUE FUND</u></b>	<b><u>CAPITAL PROJECTS FUND</u></b>	<b><u>DEBT SERVICE FUND</u></b>	<b><u>TOTAL GOVERNMENTAL FUNDS</u></b>
Cash and Cash Equivalents	\$ 6,651,633.42	\$ 167,629.97	\$ 783,452.84	\$ 123,734.71	\$ 7,726,450.94
Other Receivables	841,677.03				841,677.03
Receivables from Other Governments	1,671,144.09	172,690.96	395,673.00		2,239,508.05
Restricted Cash and Cash Equivalents	<u>15,530,462.00</u>				<u>15,530,462.00</u>
<b>Total Assets</b>	<b><u>\$ 24,694,916.54</u></b>	<b><u>\$ 340,320.93</u></b>	<b><u>\$ 1,179,125.84</u></b>	<b><u>\$ 123,734.71</u></b>	<b><u>\$ 26,338,098.02</u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts Payable	\$ 243,707.67	\$ 44,248.28	\$ 1,581.74		\$ 289,537.69
Accrued Expenses	956,200.00				956,200.00
Intergovernmental Payable		80,158.00			80,158.00
Deferred Revenue	<u>97,351.36</u>	<u>215,914.65</u>			<u>313,266.01</u>
Total liabilities	<u>1,297,259.03</u>	<u>340,320.93</u>	<u>1,581.74</u>		<u>1,639,161.70</u>
Fund Balances:					
Restricted for:					
Capital Reserve Account	12,896,987.00				12,896,987.00
Maintenance Reserve Account	1,633,475.00				1,633,475.00
Emergency Reserve	1,000,000.00				1,000,000.00
Reserve for Excess Surplus	1,863,905.96				1,863,905.96
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,465,695.87				1,465,695.87
Assigned for:					
Year-end Encumbrances	1,394,600.84				1,394,600.84
Assigned for:					
Designated for Subsequent Year's Expenditures	1,009,492.13				1,009,492.13
Debt Service Fund				123,734.71	123,734.71
Capital Projects Fund			1,177,544.10		1,177,544.10
Unassigned, Reported in:					
General Fund	<u>2,133,500.71</u>				<u>2,133,500.71</u>
Total Fund Balances	<u>23,397,657.51</u>		<u>1,177,544.10</u>	<u>123,734.71</u>	<u>24,698,936.32</u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 24,694,916.54</u></b>	<b><u>\$ 340,320.93</u></b>	<b><u>\$ 1,179,125.84</u></b>	<b><u>\$ 123,734.71</u></b>	<b><u>\$ 26,338,098.02</u></b>

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

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

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

Total Governmental Fund Balances	\$	24,698,936.32
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The carrying value of the assets is \$110,351,871, and the accumulated depreciation is \$51,048,153.		59,303,718.00
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Long-term liabilities, including bonds (net of premiums and/or discounts), capital lease obligations, judgments payable and other obligations that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		(24,968,681.36)
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Short-term Liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.		(209,156.84)
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The Net Pension Liability, and associated Deferred Inflows and Outflows of the District relating to its participation in the PERS are not recognized in the funds using the current financial resources measurement focus, but are recognized in the Statement of Net Position using the economic resources measurement focus.

The carrying amounts of the individual components are as follows:

Deferred Outflows of Resources		4,947,012.00
Net Pension Liability		(22,436,433.00)
Deferred Inflows of Resources		(9,259,810.00)
Payment Subsequent to Measurement Date		(1,398,490.00)

The difference between the face amount of Refunded Bonds and the escrow deposit required to legally defease the Bonds is recorded as a decrease to fund balance in the governmental funds, but is carried on the statement of net position as a Deferred Outflow of Resources and amortized over the life of the Bonds. The Deferred Amount from Refunding is \$492,495.03 and accumulated amortization is \$294,665.40		197,829.63
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<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>30,874,924.75</u></b>
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The accompanying Notes to Financial Statements are an integral part of this statement.

**WESTFIELD SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Exhibit B-2  
Page 1 of 2

	<b>GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>	<b>CAPITAL PROJECTS FUND</b>	<b>DEBT SERVICE FUND</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b><u>REVENUES</u></b>					
Local Tax Levy	\$ 101,420,397.00	\$	\$	\$ 3,329,393.00	\$ 104,749,790.00
Tuition Charges	37,005.00				37,005.00
Miscellaneous	1,325,578.91				1,325,578.91
Local Sources		652,335.35			652,335.35
State Sources	22,970,903.10	196,638.85		779,119.00	23,946,660.95
Federal Sources	42,572.37	1,715,315.08			1,757,887.45
	<u>125,796,456.38</u>	<u>2,564,289.28</u>	<u>-</u>	<u>4,108,512.00</u>	<u>132,469,257.66</u>
<b><u>EXPENDITURES</u></b>					
Current:					
Regular Instruction	34,287,014.56	178,059.16			34,465,073.72
Special Education Instruction	8,638,083.06	1,383,890.45			10,021,973.51
Other Special Instruction	1,301,154.17				1,301,154.17
Other Instruction	1,815,168.88				1,815,168.88
Support Services and Undistributed Costs:					
Tuition	5,597,633.30				5,597,633.30
Student & Instruction Related Services	13,798,784.38	339,569.74			14,138,354.12
School Administrative Services	3,512,031.74				3,512,031.74
Other Administrative Services	4,469,182.28	850.00			4,470,032.28
Plant Operations and Maintenance	6,222,552.21				6,222,552.21
Pupil Transportation	2,938,310.76	11,179.00			2,949,489.76
Unallocated Benefits	35,022,002.87	44,589.74			35,066,592.61
Debt Service:					
Principal				3,500,000.00	3,500,000.00
Interest and Other Charges				608,512.50	608,512.50
Capital Outlay	<u>730,573.42</u>	<u>606,151.19</u>	<u>7,176,477.03</u>	<u>4,108,512.50</u>	<u>8,513,201.64</u>
Total Expenditures	<u>118,332,491.63</u>	<u>2,564,289.28</u>	<u>7,176,477.03</u>	<u>4,108,512.50</u>	<u>132,181,770.44</u>



**WESTFIELD SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Exhibit B-2  
Page 2 of 2

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 7,463,964.75	\$ -	\$ (7,176,477.03)	\$ (0.50)	\$ 287,487.22
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Transfer to Charter School	(30,866.00)				(30,866.00)
Transfers in			685,825.09		685,825.09
Transfers out	(685,825.09)				(685,825.09)
Total Other Financing Sources and Uses	(716,691.09)	-	685,825.09	-	(30,866.00)
Net Change in Fund Balances	6,747,273.66	-	(6,490,651.94)	(0.50)	256,621.22
Fund Balance—Beginning	16,650,383.85	-	7,668,196.04	123,735.21	24,442,315.10
<b>Fund Balance—Ending</b>	<b>\$ 23,397,657.51</b>	<b>\$ -</b>	<b>\$ 1,177,544.10</b>	<b>\$ 123,734.71</b>	<b>\$ 24,698,936.32</b>

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

**TOWN OF WESTFIELD SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

**Total net change in fund balances - governmental funds (from B-2)** **\$ 256,621.22**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

	Depreciation expense	(3,079,080.00)	
	Capital Outlays - Net	<u>8,465,186.00</u>	5,386,106.00

Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 3,500,000.00

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the accrued amount, the difference is an addition to the reconciliation (+). 26,587.92

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (65,390.00)

Pension expenditures in the governmental funds are recognized when paid or payable from expendable available financial resources. In the statement of activities, pension costs are recognized on a full accrual basis utilizing actuarial valuations. The amount by which actuarially calculated pension expense exceeds the expenditure reported in the funds is a deduction. 4,579.00

Amortization Expenses - Net 40,213.10

**Change in net position of governmental activities** **\$ 9,148,717.24**

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

## **PROPRIETARY FUNDS**

**WESTFIELD SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020**

	<u>MAJOR ENTERPRISE FUNDS</u>		<u>TOTAL</u>
	<u>FOOD</u>	<u>WRAP</u>	<u>ENTERPRISE</u>
	<u>SERVICE</u>	<u>PROGRAM</u>	<u>FUND</u>
<b><u>ASSETS</u></b>			
Current assets:			
Cash and Cash Equivalents	\$ 1,207,463.65	\$ 330,777.20	\$ 1,538,240.85
Accounts Receivable	2,147.17		2,147.17
Inventory	19,951.44		19,951.44
	<u>1,229,562.26</u>	<u>330,777.20</u>	<u>1,560,339.46</u>
Total Current Assets			
Noncurrent Assets:			
Furniture, Machinery & Equipment	835,921.80		835,921.80
Less Accumulated Depreciation	(484,049.20)		(484,049.20)
	<u>351,872.60</u>	<u>-</u>	<u>351,872.60</u>
Total Noncurrent Assets			
	<u><b>1,581,434.86</b></u>	<u><b>330,777.20</b></u>	<u><b>1,912,212.06</b></u>
<b><u>LIABILITIES</u></b>			
Current Liabilities:			
Accounts Payable	\$ 17,968.30	\$ 376.23	\$ 18,344.53
Deferred revenue	89,394.87	57,284.20	146,679.07
	<u>107,363.17</u>	<u>57,660.43</u>	<u>165,023.60</u>
Total Current Liabilities			
<b><u>NET POSITION</u></b>			
Invested in Capital Assets	351,872.60		351,872.60
Unrestricted	1,122,199.09	273,116.77	1,395,315.86
	<u>1,474,071.69</u>	<u>273,116.77</u>	<u>1,747,188.46</u>
Total Net Position			

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

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>MAJOR ENTERPRISE FUNDS</b>		<b>TOTAL</b>
	<b>FOOD SERVICE</b>	<b>WRAP PROGRAM</b>	
<b><u>OPERATING REVENUES</u></b>			
Local Sources:			
Daily Sales - Non-Reimbursable Programs	\$ 1,059,003.79	\$ _____	\$ 1,059,003.79
Total Daily Sales	1,059,003.79		1,059,003.79
Program Fees	_____	459,900.00	459,900.00
Total Operating Revenues	<u>1,059,003.79</u>	<u>459,900.00</u>	<u>1,518,903.79</u>
<b><u>OPERATING EXPENSES</u></b>			
Cost of Sales:			
Non-Program Sales	<u>358,757.74</u>	_____	<u>358,757.74</u>
Total Cost of Sales	358,757.74		358,757.74
Direct Labor	190,971.91	327,334.17	518,306.08
Administrative Labor	254,275.31	73,742.65	328,017.96
Supplies	11,931.62	3,579.69	15,511.31
Office and Administrative	16,501.58		16,501.58
Outside Services	8,223.63		8,223.63
Utilities			0.00
Management Fees	87,674.97		87,674.97
Depreciation	<u>25,581.48</u>	_____	<u>25,581.48</u>
Total Operating Expenses	<u>953,918.24</u>	<u>404,656.51</u>	<u>1,358,574.75</u>
<b>Operating Income</b>	<b><u>105,085.55</u></b>	<b><u>55,243.49</u></b>	<b><u>160,329.04</u></b>
Non-Operating Revenues (Expenses):			
Federal Sources:			
U.S.D.A. Commodities	5,434.68		5,434.68
Interest on Deposits	<u>23,780.13</u>	_____	<u>23,780.13</u>
<b>Total Non-Operating Revenues</b>	<b><u>29,214.81</u></b>	<b><u>-</u></b>	<b><u>29,214.81</u></b>
<b>Change in Net Position</b>	<b><u>134,300.36</u></b>	<b><u>55,243.49</u></b>	<b><u>189,543.85</u></b>
Total Net Position Beginning	<u>1,339,771.33</u>	<u>217,873.28</u>	<u>1,557,644.61</u>
<b>Total Net Position Ending</b>	<b><u>\$ 1,474,071.69</u></b>	<b><u>\$ 273,116.77</u></b>	<b><u>\$ 1,747,188.46</u></b>

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

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>MAJOR ENTERPRISE FUNDS</b>		<b>TOTAL</b>
	<b>FOOD SERVICE</b>	<b>WRAP PROGRAM</b>	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 1,095,020.85	\$ 448,684.20	\$ 1,543,705.05
Payments for Employee Services		(401,076.82)	(401,076.82)
Payments to Suppliers	(992,166.05)	(3,203.46)	(995,369.51)
<b>Net Cash Provided by Operating Activities</b>	<b>102,854.80</b>	<b>44,403.92</b>	<b>147,258.72</b>
Cash Flows from Non-Capital Financing Activities:			
State Sources	170.03		170.03
Federal Sources	2,991.94		2,991.94
<b>Net Cash Provided by Non-Capital     Financing Activities</b>	<b>3,161.97</b>	<b>-</b>	<b>3,161.97</b>
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(61,429.80)		(61,429.80)
<b>Net Cash Used by Capital and     Related Financing Activities</b>	<b>(61,429.80)</b>	<b>-</b>	<b>(61,429.80)</b>
Cash Flows from Investing Activities			
Interest on Deposits	23,780.13		23,780.13
<b>Net Cash Provided by Investing Activities</b>	<b>23,780.13</b>	<b>-</b>	<b>23,780.13</b>
Net Increase in Cash and Cash Equivalents	68,367.10	44,403.92	174,200.82
Cash and Cash Equivalents, July 1	1,139,096.55	286,373.28	1,425,469.83
<b>Cash and Cash Equivalents, June 30</b>	<b>\$ 1,207,463.65</b>	<b>\$ 330,777.20</b>	<b>\$ 1,538,240.85</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating Income	\$ 105,085.55	\$ 55,243.49	\$ 160,329.04
Adjust. to Reconcile Operating Income to Cash Provided by Oper. Activities:			
Depreciation	25,581.48		25,581.48
Federal Commodities	5,434.68		5,434.68
(Increase) in Accounts Receivable	(516.78)		(516.78)
(Increase) in Inventory	(4,784.52)		(4,784.52)
Increase (Decrease) in Deferred Revenue	36,533.84	(11,215.80)	25,318.04
Increase (Decrease) in Accounts Payable	(64,479.45)	376.23	(64,103.22)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 102,854.80</b>	<b>\$ 44,403.92</b>	<b>\$ 147,258.72</b>

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

## **FIDUCIARY FUNDS**

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

	<u>EXPENDABLE TRUST FUNDS</u>		<u>AGENCY</u>		<u>TOTALS 2020</u>
	<u>UNEMPLOYMENT COMPENSATION</u>	<u>FLEXIBLE SPENDING</u>	<u>STUDENT ACTIVITY</u>	<u>PAYROLL</u>	
<b><u>ASSETS</u></b>					
Cash and Cash Equivalents	\$ 412,140.91	\$ 60,617.47	\$ 613,403.51	\$ 10,296.90	\$ 1,096,458.79
Assets Held by Plan Service Provider		74,828.01			74,828.01
Accounts Receivable - Federal	51,742.84				51,742.84
<b>Total Assets</b>	<b>\$ 463,883.75</b>	<b>\$ 135,445.48</b>	<b>\$ 613,403.51</b>	<b>\$ 10,296.90</b>	<b>\$ 1,223,029.64</b>
<b><u>LIABILITIES</u></b>					
Liabilities:					
Payroll Deductions and Withholdings	\$ 94,933.66	\$ 39,060.95	\$ 613,403.51	\$ 10,296.90	\$ 10,296.90
Accounts Payable					133,994.61
Due to Student Groups					613,403.51
<b>Total Liabilities</b>	<b>94,933.66</b>	<b>39,060.95</b>	<b>613,403.51</b>	<b>10,296.90</b>	<b>757,695.02</b>
<b><u>NET POSITION</u></b>					
Net Position Restricted for:					
Unemployment Insurance Claims	368,950.09				368,950.09
Eligible Employee Benefits		96,384.53			96,384.53
Total Net Position	368,950.09	96,384.53	-	-	465,334.62
<b>Total Liabilities and Net Position</b>	<b>\$ 463,883.75</b>	<b>\$ 135,445.48</b>	<b>\$ 613,403.51</b>	<b>\$ 10,296.90</b>	<b>\$ 1,223,029.64</b>

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



**WESTFIELD SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Expendable Trust Funds</b>		<b>Totals</b>
	<b>Unemployment Compensation Insurance Trust</b>	<b>Employee Benefit Flexible Spending Trust Fund</b>	
<b>ADDITIONS</b>			
Contributions:			
Dedicated Payroll Withholdings	\$ 116,606.27	\$ 277,062.32	\$ 393,668.59
Board Contribution	30,000.00		30,000.00
CARES ACT federal contribution	51,742.84		51,742.84
Total Contributions	<u>198,349.11</u>	<u>277,062.32</u>	<u>475,411.43</u>
Investment Earnings:			
Interest On Deposits	5,760.63	-	5,760.63
Net Investment Earnings	<u>5,760.63</u>	<u>-</u>	<u>5,760.63</u>
Total Additions	<u>204,109.74</u>	<u>277,062.32</u>	<u>481,172.06</u>
<b>DEDUCTIONS</b>			
Unemployment Insurance Claims Eligible Benefits	148,581.10	272,326.50	148,581.10 272,326.50
Total Deductions	<u>148,581.10</u>	<u>272,326.50</u>	<u>420,907.60</u>
Change in Net Position	<u>55,528.64</u>	<u>4,735.82</u>	<u>60,264.46</u>
Net Position - Beginning of the Year	<u>313,421.45</u>	<u>91,648.71</u>	<u>405,070.16</u>
<b>Net Position - End of the year</b>	<b><u>\$ 368,950.09</u></b>	<b><u>\$ 96,384.53</u></b>	<b><u>\$ 465,334.62</u></b>

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

**WESTFIELD SCHOOL DISTRICT  
COUNTY OF UNION, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) of the Board of Education (Board) of the Westfield School District (District) report information on all of the nonfiduciary activities of the primary government only. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The District is not financially accountable for any legally separate component units, and no component units have been included in the government-wide financial statements.

The more significant of the Board's accounting policies are described below.

**B. Reporting Entity:**

The Westfield School District is a Type II district located in the County of Union, State of New Jersey, serving students domiciled in the Town of Westfield. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to staggered three-year terms. The purpose of the district is to educate students in grades K-12. The Westfield School District had an approximate enrollment at June 30, 2020 of 6,174 students.

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

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

Based on the aforementioned criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**C. Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. Any remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed 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 Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (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. State Aid in the form of Economic Development Authority Grants under EFCFA are also financial resources of this fund

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following proprietary funds:

**Food Service Fund** – The Food Service Enterprise Fund is used to account for the activities of the cafeteria operations of the District. The Food Service Fund is considered a major fund of the District.

**WRAP Program Fund** – The WRAP Program Enterprise Fund is used to account for the activities of the program's operations within the District.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **D. Basis of Presentation - Fund Financial Statements (Cont'd)**

The District also reports the following fiduciary fund types:

**Agency Fund** – The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

**Employee Benefit Trusts:** – Employee Benefit Trust Funds should be used to report resources that are required to be held in trust for members and beneficiaries of employee benefit plans. The District operates an Unemployment Compensation Fund and a Flexible Spending Plan that are accounted for as Employee Benefit Trust Funds.

During the course of its normal operations, the District will have activity between funds (interfund activity) for various purposes. Any residual interfund balances at year end are reported as interfund accounts receivable/payable. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included within governmental activities (the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, any interfund balances between business-type (enterprise) funds are eliminated so that only the net amount is included as internal balances in the business-type activities columns.

Further, interfund activity may occur during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. In the preparation of the government-wide financial statements, transfers between funds included as governmental activities are eliminated so that only net amounts of resources transferred from or to the governmental activities are reported. A similar treatment is afforded transfers of resources between enterprise funds for the preparation of business-type activity financial statements.

#### **E. Measurement Focus and Basis of Accounting**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal period that the taxes are levied by the municipality(s) within which the District is domiciled. Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District recognizes the entire approved tax levy as revenue in the fiscal period for which they were levied. The District is entitled to receive moneys under an established payment schedule and any unpaid amount is considered to be an "accounts receivable". Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. State categorical aid revenues are recognized as District revenue during the fiscal period in which they are appropriated.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **E. Measurement Focus and Basis of Accounting (Cont'd)**

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual basis accounting. Exceptions to this general rule include debt service, for which interest and principal expenditures in the Debt Service Fund are recognized on their due dates, and expenditures relating to compensated absences, claims and judgments, which are recorded in the period when payment becomes due. General capital asset acquisitions are recorded as expenditures in the governmental funds and are not capitalized. The issuance of long-term debt for capital purposes and capital lease obligations incurred to acquire general capital assets are reported as "other financing sources".

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Entitlements are recorded as revenue when all eligibility requirements, including timing of funding appropriations, are met, subject to the 60-day availability requirement for collection. Interest and tuition revenues are considered susceptible to accrual and have been recognized as revenues of the current fiscal period, subject to availability. Expenditure driven grant revenues are recorded as qualifying expenditures are incurred and all other eligibility requirements have been met, subject to availability requirements. All other revenue items are considered measurable and available only when cash is received by the District.

The District's proprietary funds, employee benefit trust fund and unemployment insurance trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

#### **F. Budgets/Budgetary Control**

Annual budgets are adopted for the general, special revenue and debt service funds using a regulatory basis of accounting which differs from generally accepted accounting principles in one material respect; Budgetary revenues for certain nonexchange state aid transactions are recognized for budgetary purposes in the fiscal period prior to the period in which the state recognizes expenditures/expenses.

The amounts of the adjustments needed to reconcile the budgetary basis to the GAAP based fund financial statements is set forth in the explanation of differences schedules which follow.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. Pursuant to changes in the Local District School Budget Law, statutorily conforming base budgets of Districts with annual school elections held in November (The District has chosen this option) are no longer required to be presented to the voters for approval on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### F. Budgets/Budgetary Control (Cont'd)

New Jersey statutes place limits on the Board's ability to increase budgeted expenditures through the appropriation of previously undesignated fund balance and requires the District to obtain additional approvals when budgetary transfers, measured using the advertised budgetary account totals rather than line-item totals, exceed certain thresholds. Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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.

Appropriations in the general and debt service funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances, for which the contracted performance is expected during the subsequent budget cycle, are legally restricted at year-end and are automatically re-appropriated and become part of the subsequent years' budget pursuant to state regulations.

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

The following presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Budgetary Comparison Schedules – General and Special Revenue Funds to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

Explanation of differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$125,845,730.38	\$2,528,753.19
Difference- budget to GAAP:		
1. Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and revenues (Net)		35,536.09
2. State Aid payments recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33).	(421,805.00)	
3. State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	<u>372,531.00</u>	<u>                    </u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balance – governmental funds.	<u>\$125,796,456.38</u>	<u>\$2,564,289.28</u>

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **F. Budgets/Budgetary Control (Cont'd)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of resources		
Actual amounts (budgetary basis) "total outflows"		
From the budgetary comparison schedule	\$118,332,491.63	\$2,528,753.19
Difference- budget to GAAP:		
Encumbrances for supplies and equipment ordered but not yet are reported in the year the encumbrance is placed for budgetary purposes, but in the year the goods are received for financial reporting purposes (Net)	_____	<u>35,536.09</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	<u>\$118,332,491.63</u>	<u>\$2,564,289.28</u>

#### **G. 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 reservations of 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 deferred revenues at fiscal year-end. At June 30, 2020, encumbered balances of grant funds advanced amounted to \$84,406.18.

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.

#### **H. Cash, Cash Equivalents and Investments:**

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. 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.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **H. Cash, Cash Equivalents and Investments (Cont'd):**

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. GUDPA was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

Under the law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All uninsured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

#### **I. Tuition Revenue**

Tuition revenues for the fiscal year 2019-2020 were based on contractual per pupil rates established by and between the sending and receiving districts. These rates are not subject to change except through amendatory contracts.

#### **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 year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The cost of such inventories is recorded as expenses when consumed rather than when purchased

Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2020.

#### **K. 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.

#### **L. Capital Assets:**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.



## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **L. Capital Assets (Cont'd):**

Capital assets are recorded in the District-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes.

Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Equipment	5-20 Years

#### **M. Compensated Absences:**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued in the government-wide financial statements as the employees earn the rights to the benefits. Compensated absences that related to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences".

In the governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as a fund liability and expenditure in the fund that will pay for the compensated absence. The noncurrent portion for governmental funds is maintained separately and is a reconciling item between the fund and government-wide presentations.

The District's compensated absences were recorded in the amount of \$902,541.50 at June 30, 2020 to conform with the financial procedures regarding the calculation of compensated absences.

Based upon existing personnel policies and collective bargaining agreements, employees are granted varying amounts of annual sick, personal and vacation leave. Sick leave may be accumulated for use in subsequent years and the right to a termination payment begins to vest with the employee after 10 years of service. Termination payments for unused sick pay are capped by bargaining unit. Accumulations of unused sick leave may be used only for illnesses in subsequent periods.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **M. Compensated Absences (Cont'd.):**

The accumulation of unused vacation pay is limited by the provisions of existing personnel policies and collective bargaining agreements. Unused vacation pay is paid to employees upon separation from service at current daily pay rates. Changes in the value of compensated absences earned and unused is more fully detailed in Note 4.

#### **N. Deferred Outflows/Inflows of Resources:**

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recorded as an outflow of resources (expenditure/expense) until that time. The District is reporting six items in this category; The Deferred Amount on Refunding, and Pension related items including the Change in Pension Assumptions, Change in Pension Proportion, Difference Between Projected and Actual Earnings, Difference Between Projected and Actual Experience and the amounts of pension payments made by the District subsequent to the pension measurement date. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding bonds. Deferred Outflows for Changes in Pension Assumptions and Change in Pension Proportions represent future outflows of resources resulting from changes in actuarial assumptions used in the valuation of the pension liability and changes in the District's proportionate share of the system-wide Net Pension Liability. Deferred outflows for Subsequent pension payments reflects payments made by the District to the pension system subsequent to the date of the most recent actuarial valuation, which was July 1, 2018.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element represents the acquisition of net position that applies to a future period(s) and will not be recorded as an inflow of resources (revenue) until that time. The District is reporting two pension related items in this category, the Change in Pension Assumptions and the Change in Pension Proportion. The former represents deferred inflows resulting from changes in actuarial assumptions used in the valuation of the pension liability, while the latter represents the favorable impact of a decline in the District's proportionate share of system wide net pension liability.

#### **O. 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 New Jersey Public Employees Retirement System (PERS) and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **P. Other Post-Employment Benefits:**

Pursuant to State Statute, the State Health Benefits Local Education Retirees Employees Plan was established to oversee the funding and payment of post-employment medical benefits for eligible LEA employees. This plan is a multi-employer defined benefit OPEB Plan that is administered on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75. The Plan is a "Special Funding Situation" as defined in GASB Statement No. 75 as the State of New Jersey is solely responsible for funding the Plan's obligations (net of employee contributions). Accordingly, no net OPEB liability is reported on the District's Statement of Net Position. In the Statement of Activities, the District reports an annual OPEB expense and a corresponding revenue, equal to the allocated expense of the District as reported by the State.

#### **Q. Unearned Revenue/Advances from Grantors:**

Unearned revenue represents cash advances received relating to services (expenditures/expenses) that will be provided in a subsequent fiscal period. Similarly, for expenditure-driven grants, amounts advanced to the District in excess of the amounts expended and earned are recorded as advances from grantors.

#### **R. Net Position Flow Assumption (District-Wide and Proprietary Fund Financial Statements)**

Periodically, the District may fund outlays for a particular purpose from both restricted resources, such as bond referendum proceeds and/or grant proceeds, and unrestricted resources. To determine the amounts of net position- restricted and unrestricted that should be reported in the government-wide and proprietary fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied. In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted net position prior to applying unrestricted net position to fund acquisition costs.

#### **S. Fund Balance Flow Assumption (Governmental Fund Financial Statements)**

Periodically, the District may fund outlays for a particular purpose from both restricted resources and unrestricted resources (the total of the committed, assigned and unassigned fund balance). To determine the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made to establish the order in which resources are considered to be applied. In the absence of specific grant compliance requirements to the contrary, the District policy is to utilize all amounts of available restricted fund balance prior to applying any component of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, with unassigned fund balance applied last.

#### **T. Fund Balance Policies:**

Fund balance of the governmental funds is reported in various categories based upon the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through actions to transfer amounts to legally restricted reserve accounts (capital, maintenance and emergency reserves), or actions to commit or assign fund balance.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **T. Fund Balance Policies (Cont'd.):**

The committed fund balance includes amounts that can only be used for the specific purposes determined by a formal action of the Board of Education. Commitments of fund balance remain in place until the committed fund balance is fully depleted or an amendatory action is taken by the Board of Education.

Assignments of fund balance are made by the Board of Education for specific purposes that do not meet the criteria to be classified as committed. The Board of education also assigns fund balance when it appropriates unrestricted/unassigned fund balance to bridge a gap between estimated revenue and appropriations in the subsequent year budget. Unlike commitments, assignments are generally temporary in nature, and additional actions of the Board are generally not required to remove an assignment, whereas an action of the Board is essential to the modification or elimination of an unexpended committed fund balance.

#### **U. District-Wide Financial Statement Classifications**

1. Program Revenues – Amounts reported as program revenues include a) charges to customers or applicants who purchase, use or benefit from goods services or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.
2. General Revenues – all taxes, including those designated for specific purposes such as debt service, are reported as general revenues. All other resources, including internally dedicated resources, unrestricted entitlements, and investment income are reported as general revenues.
3. Capital Assets – In the statement of net position, capital assets are reported, net of accumulated depreciation as assets of the governmental activities and business-type activities.
4. Long-term Debt - In the statement of net position, long-term debt is reported as a component of long-term liabilities of the governmental activities and business-type activities.
5. Investment in Capital Assets, Net – In the statement of Net Position, the net undepreciated value of capital assets, less the value of outstanding debt issued to purchase acquire or build those capital assets, is reported as Investment in Capital Assets, Net as a component of net position for the governmental activities and business-type activities.

#### **V. Proprietary Fund Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and products in connection with the primary purpose or function for which the fund was established. The District's Food Service proprietary fund reports operating revenues from the sales of lunches and a la carte items, and operating expenses include the costs of sales (food, supplies and labor), administrative costs and depreciation on capital assets. Revenues earned through the District's participation in the National School Lunch Program are classified as nonoperating revenues, notwithstanding the limitations on the pricing of Type A student lunches that is required for program participation.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### W. Reconciliation of District-Wide and Fund Financial Statements

I. Differences between governmental fund balance sheet and District-wide statement of net position:

<b>Total Governmental Fund Balance (B-1)</b>	<b>\$ 24,698,936.32</b>
<u>Adjustments to District-Wide Net Position:</u>	
Capital Assets (see Note 3)	59,303,718.00
Long-Term Liabilities (see Note 4)	(24,343,542.50)
Net Pension Liability	(22,436,433.00)
Other Items not recognized in Fund Financial Statements:	
Deferred Outflows of Financial Resources	4,947,012.00
Deferred Inflows of Financial Resources	(9,259,810.00)
Payment Subsequent to Measurement Date	(1,398,490.00)
Accrued Interest on Long-term Debt	(209,156.84)
Unamortized Premiums Received on Bond Sales	(625,140.86)
Unamortized Deferred Amounts from Refunding	<u>197,829.63</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 30,874,924.75</u></b>

II. Differences between governmental fund statement of revenues, expenditures and changes in fund balances and District-wide statement of activities:

<b>Total Net Change Governmental Fund Balance (B-2)</b>	<b>\$ 256,621.22</b>
<u>Adjustments to District-Wide Net Position:</u>	
Capital Outlays, net of depreciation	5,386,106.00
Repayment of Long-Term Liabilities (see Note 4)	3,500,000.00
Increase in Value of Compensated Absences	(65,390.00)
Interest on Long-term Debt (Accrual Basis for District-Wide)	26,587.92
Net Decrease in Pension Expense	4,579.00
Amortization Expenses & Increases - Net	<u>40,213.10</u>
<b>Change In Net Position of Governmental Activities</b>	<b><u>\$ 9,148,717.24</u></b>

#### X. Estimates

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

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

State statutes set forth deposit requirements and investments that may be purchased by local units and the District deposits and invests its funds pursuant to statutory requirements, its policies and an adopted cash management plan.

#### Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (FDIC), New Jersey's Governmental Unit Deposit Protection Act, by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. The New Jersey Governmental Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based upon GASB criteria, the District considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts and short-term investments and are either any direct and general obligation of the United States of America or certificates of deposit issued by any bank, savings and bank or national banking association if qualified to serve as a depository for public funds under the provisions of the Governmental Unit Depository Protection Act.

The Town of Westfield Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

<u>Depository Account</u>	<u>Bank Balance</u>
Insured—FDIC	\$ 621,477.76
NJGUDPA (N.J.S.A. 17:941)	27,060,247.65
Uninsured	687,247.16
Total	<u>\$ 28,368,972.57</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2020, the carrying amount of the District's deposits was \$25,891,268.60 and the bank balance was \$28,368,972.57. Of the bank balance, \$621,477.76 of the District's cash deposits on June 30, 2020 was covered by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$27,060,247.65. \$601,680.82 held in the District agency accounts and \$85,566.34 of cash equivalents are not covered by GUDPA.

As of June 30, 2020, based upon the insured balances as provided by FDIC and NJGUDPA coverage, none of the Board's book balance of \$25,891,268.60 was considered exposed to custodial risk. (See Note 1-H relating to statutory mitigations of custodial risk in the event of a bank failure.)

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

**New Jersey Cash Management Fund** – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. The District had \$85,566.34 on deposit with the New Jersey Cash Management Fund at June 30, 2020. Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit exposure. The District does not have a policy for custodial credit risk.

**Money Market Mutual Funds** – At June 30, 2020, the District had \$121,477.76 of capital project cash balances on deposit with Fidelity Investments Inc. The funds were held in FIMM Funds, Treasury Portfolio Class III shares, which are publicly traded under the symbol FCSXX. These funds are uninsured.

**Concentration of Credit Risk** – The District places no limit on the amount the District may invest in any one issuer.

**NOTE 3 - DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS**

The governmental fund balance sheet includes a reconciliation between fund balance- total governmental funds and net position-governmental activities as reported in the District-wide statement of net position. One item of that reconciliation explains that capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. An addition to the fund balance - total governmental funds is made to reflect the carrying value of the District's capital assets at year-end in the District-wide financial statements, which consisted of:

Total Capital Assets at Cost	\$ 110,351,871.00
Less: Accumulated Depreciation	<u>(51,048,153.00)</u>
Government Activities Capital Assets, Net	<u>\$ 59,303,718.00</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets That Are Not Being Depreciated:				
Land	\$ 4,488,200.00	\$	\$	\$ 4,488,200.00
Construction in Progress	<u>4,909,980.00</u>	<u>1,863,192.00</u>	<u></u>	<u>6,773,172.00</u>
<b>Total Capital Assets Not Being Depreciated</b>	<b><u>9,398,180.00</u></b>	<b><u>1,863,192.00</u></b>	<b><u></u></b>	<b><u>11,261,372.00</u></b>
Building and Building Improvements	76,724,679.00	6,311,708.00	<u></u>	83,036,387.00
Machinery, Equipment, Furniture & Vehicles	<u>15,763,826.00</u>	<u>290,286.00</u>	<u></u>	<u>16,054,112.00</u>
<b>Totals at Historical Cost</b>	<b><u>92,488,505.00</u></b>	<b><u>6,601,994.00</u></b>	<b><u></u></b>	<b><u>99,090,499.00</u></b>
Less Accumulated Depreciation For:				
Building and Building Improvements	(35,445,871.00)	(2,737,231.00)	<u></u>	(38,183,102.00)
Equipment, Furniture, and Vehicles	<u>(12,523,202.00)</u>	<u>(341,849.00)</u>	<u></u>	<u>(12,865,051.00)</u>
<b>Total Accumulated Depreciation</b>	<b><u>(47,969,073.00)</u></b>	<b><u>(3,079,080.00)</u></b>	<b><u></u></b>	<b><u>(51,048,153.00)</u></b>
<b>Government Activities Capital Assets, Net</b>	<b><u>\$ 53,917,612.00</u></b>	<b><u>\$ 5,386,106.00</u></b>	<b><u>\$</u></b>	<b><u>\$ 59,303,718.00</u></b>
<b>Business-type Activities</b>				
Equipment	\$ 774,492.00	\$ 61,429.80	\$	\$ 835,921.80
Less Accumulated Depreciation for:				
Equipment	<u>(458,467.72)</u>	<u>(25,581.48)</u>	<u></u>	<u>(484,049.20)</u>
<b>Business-type Activities Capital Assets, Net</b>	<b><u>\$ 316,024.28</u></b>	<b><u>\$ 35,848.32</u></b>	<b><u>\$</u></b>	<b><u>\$ 351,872.60</u></b>

\* Depreciation expense was charged to governmental functions as follows:

Instruction - Regular	\$ (2,463,264.00)
Unallocated	<u>(615,816.00)</u>
Total depreciation expense	<u>\$ (3,079,080.00)</u>



NOTES TO FINANCIAL STATEMENTS

**NOTE 4 - DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES**

Long-term liability activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Debt	\$ 26,941,000.00	\$ -	\$ 3,500,000.00	\$ 23,441,000.00	\$ 3,116,000.00
Total Bonds Payable	<u>26,941,000.00</u>	<u>-</u>	<u>3,500,000.00</u>	<u>23,441,000.00</u>	<u>3,116,000.00</u>
Other Liabilities:					
Compensated Absences Payable	<u>837,151.50</u>	<u>65,390.00</u>	<u>-</u>	<u>902,541.50</u>	<u>-</u>
Total Other Liabilities	<u>837,151.50</u>	<u>65,390.00</u>	<u>-</u>	<u>902,541.50</u>	<u>-</u>
Net Pension Liability (PERS)	24,156,948.00	-	1,720,515.00	22,436,433.00	-
Unamortized Bond Premium	<u>717,503.31</u>	<u>-</u>	<u>92,362.45</u>	<u>625,140.86</u>	<u>90,528.72</u>
<b>Total Liabilities</b>	<b><u>\$ 52,652,602.81</u></b>	<b><u>\$ 65,390.00</u></b>	<b><u>\$ 5,312,877.45</u></b>	<b><u>\$ 47,405,115.36</u></b>	<b><u>\$ 3,206,528.72</u></b>

A. Bonds Payable - Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. Bonds payable at June 30, 2020 consist of the following issues and amounts:

- a) 2013 School Bonds, originally issued August 1, 2013 in the amount of \$6,916,000. The outstanding balance of this issue at June 30, 2020 was \$4,140,000, which is payable in annual installments due August 1, 2020 through August 1, 2028 at interest rates ranging from 2.000% to 3.000%.
- b) 2014 School Bonds, originally issued July 10, 2014 in the amount of \$3,200,000. The outstanding balance of this issue at June 30, 2020 was \$1,750,000, which is payable in annual installments due August 1, 2020 through August 1, 2024 at interest rates ranging from 2.000% to 2.375%.
- c) Refunding School Bonds, Series 2015A, originally issued March 24, 2015 in the amount of \$5,700,000. The outstanding balance of this issue at June 30, 2020 was \$4,625,000, which is payable in annual installments due October 1, 2020 through October 1, 2027 at interest rates ranging from 1.625% to 4.000%.
- d) School Bonds, Series 2015B, originally issued March 24, 2015 in the amount of \$261,000. The outstanding balance of this issue at June 30, 2020 was \$56,000, which is payable in a final installment due October 1, 2020 at an interest rate 3.000%.
- e) Refunding School Bonds, Series 2016A, originally issued July 13, 2016 in the amount of \$6,675,000. The outstanding balance of this issue at June 30, 2020 was \$1,770,000, which is payable in annual installments due August 1, 2020 through August 1, 2021 at an interest rate of 1.500%.
- f) School Bonds, Series 2016B, originally issued July 13, 2016 in the amount of \$12,600,000. The outstanding balance of this issue at June 30, 2020 was \$11,100,000, which is payable in annual installments due August 1, 2020 through August 1, 2031 at interest rates ranging from 2.000% to 2.500%.

**NOTE 4 - DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES (Cont'd.)**

Principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,116,000	\$ 543,073	\$ 3,659,073
2022	3,100,000	953,758	4,053,758
2023	2,350,000	415,308	2,765,308
2024	2,375,000	352,120	2,727,120
2025	2,400,000	286,125	2,686,125
2026	2,050,000	223,570	2,273,570
2027	2,050,000	165,170	2,215,170
2028	1,990,000	112,510	2,102,510
2029	1,360,000	73,150	1,433,150
2030	900,000	48,250	948,250
2031	900,000	30,250	930,250
2032	850,000	10,625	860,625
<b>Totals</b>	<b>\$ 23,441,000</b>	<b>\$ 3,213,908</b>	<b>\$ 26,654,908</b>

**B. Bonds Authorized But Not Issued (ABNI)**

At June 30, 2020, the District had no unissued bond authorizations.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 5. PENSION PLANS**

**Description of Plans** – The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the public Employees Retirement System (PERS) and the Teachers Pension and Annuity Fund (TPAF), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions), or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

#### **A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**

The Public Employee Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

*Plan Membership and Contributing Employers*- Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2020:

Inactive plan members or beneficiaries currently receiving benefits	178,748
Inactive plan members entitled to but not yet receiving benefits	609
Active plan members	<u>252,598</u>
Total	<u>431,955</u>

**NOTE 5. PENSION PLANS (CONT'D)**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)**

*Significant Legislation*

Chapter 19, P.L. 2009, effective March 17, 2009, provided an option for local employers of PFRS and PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such an employer 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.

Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of all retirement systems.

*Payrolls and Covered Wages:* For the year ended June 30, 2020 the Board's total payroll for all employees was \$59,148,038. Total PERS covered payroll was \$9,098,895. Covered payroll refers to pensionable compensation paid by the Board to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A 43:15 and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate completed the phase-in period for State fiscal year 2019 and member contributions increased to 7.5% effective July 1, 2018. Employers' contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The School Board's cash basis contributions to the Plan for the years ended June 30, 2020 and 2019 were \$1,211,203 and \$1,269,432, respectively equal to the required contribution. School Board Contributions are due and payable in the fiscal period subsequent to the plan year for which the contributions requirements were calculated.

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible 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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. PENSION PLANS (CONT'D)**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)**

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

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – At June 30, 2020, the School Board reported a liability of \$22,436,433 for its proportionate share of the net pension liability. The net pension liability was determined by actuarial valuation as of July 1, 2018 which was rolled forward to June 30, 2019. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2019, the Board's proportion was 0.1245189916%, which was an increase of 0.0018295068% from its proportion measure as of June 30, 2018.

For the year ended June 30, 2020, the Board recognized pension expenses of \$4,579. At June 30, 2020, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows Of Resources</u>	<u>Deferred Inflows Of Resources</u>
Changes in Assumptions	\$ 2,240,360	\$ 7,787,615
Changes in Pension Proportion	905,457	1,018,913
Difference Projected vs. Actual Earnings	-	354,168
Difference Projected vs. Actual Experience	402,705	99,114
Board contributions subsequent to the measurement date	<u>1,398,490</u>	<u>                    </u>
 Total	 <u>\$4,947,012</u>	 <u>\$9,259,810</u>

The \$ 1,398,490 of deferred outflows of resources resulting from the Boards contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense by PERS as follows:

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. PENSION PLANS (CONT'D)**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)**

Year ending June 30,

2021	\$ (744,864)
2022	(2,327,652)
2023	(1,835,130)
2024	(729,443)
Thereafter	<u>(74,199)</u>
Total	<u><u>\$ (5,711,288)</u></u>

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

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases: Through 2026	2.00-6.00%
Thereafter	Based on years of service 3.00-7.00%
Investment rate of return	Based on years of service 7.00%

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

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. PENSION PLANS (CONT'D)

#### Description of Plans (Cont'd)

##### A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)

*Long-Term Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term 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's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	Target	<u>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		<u>12.00%</u>	10.85%
		100%	

*Discount Rate* – The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

*Sensitivity of Collective Net Pension Liability to Changes in the Discount Rate* – the following presents the collective net pension liability of PERS participating employers, as well as the District's attributed share of that liability, as of June 30, 2018, calculated using the discount rates as disclosed above as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5. PENSION PLANS (CONT'D)**

**Description of Plans (Cont'd)**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONT'D)**

	At 1% decrease (5.28%)	At current discount rate (6.28%)	At 1% increase (7.28%)
State	\$26,475,719,181	\$23,012,420,340	\$20,102,167,445
Local	<u>22,918,608,260</u>	<u>18,143,832,135</u>	<u>14,120,406,763</u>
PERS Plan Total	<u>\$49,394,327,441</u>	<u>\$41,156,252,475</u>	<u>\$34,222,574,208</u>
Westfield BOE	<u>\$28,340,861</u>	<u>\$22,436,433</u>	<u>\$17,461,116</u>

*Components of Net Pension Liability* – The components of the collective net pension liability for PERS, including the State of New Jersey, at June 30, 2019 is as follows:

	State	Local	Total
Total Pension Liability	\$29,512,766,255	\$41,491,463,886	\$71,004,230,141
Plan Fiduciary Net Position	<u>6,500,345,915</u>	<u>23,347,631,751</u>	<u>29,847,977,666</u>
Net Pension Liability	<u>\$23,012,420,340</u>	<u>\$18,143,832,135</u>	<u>\$41,156,252,475</u>

**B. TEACHERS PENSION AND ANNUITY FUND**

The Teachers Pension and Annuity Fund is a cost-sharing, multiple employer defined benefit pension plan with a special funding situation as defined in GASB Statement No. 68, by which the State of New Jersey (State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the TPAF Plan are as follows:



NOTES TO FINANCIAL STATEMENTS

**NOTE 5. PENSION PLANS (CONT'D):**

**B. TEACHERS PENSION AND ANNUITY FUND (CONT'D)**

*Plan Membership and Contributing Employers-* Substantially all teachers or members of the professional staff of Local Education Agencies that are certified by the State Board of Examiners, and Employees of the Department of Education who have titles that are unclassified, professional and certified are enrolled in the TPAF. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2019:

Inactive plan members or beneficiaries currently receiving benefits	104,703
Inactive plan members entitled to but not yet receiving benefits	219
Active plan members	<u>155,496</u>
Total	<u>260,418</u>

In addition to the State, who is the sole payer of regular employer contributions to the fund, TPAF's contributing employers include boards of education who elected to participate in the Early Retirement Incentive Program (ERIP) and are legally responsible to continue to pay towards their incurred liability.

*Significant Legislation* – Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of TPAF.

*Covered Payroll* - For the year ended June 30, 2020 the Board's total payroll for all employees was \$59,148,038. Total TPAF covered payroll was \$49,927,219. Covered payroll refers to all compensation paid by the Board to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate completed the phase-in period for State fiscal year 2019 and member contributions increased to 7.5% effective July 1, 2018. The State of New Jersey contribution amount is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2019, the State's pension contribution was less than the actuarially determined amount.

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

**NOTE 5. PENSION PLANS (CONT'D):**

**B. TEACHERS PENSION AND ANNUITY FUND (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 on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65.

Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 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 retirement age of 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.

*Special Funding Situation* – Employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, the 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.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – The State of New Jersey is solely responsible for funding the normal pension obligations of the TPAF, including 100% of the obligations of LEAs within the State. Accordingly, the District does not report TPAF pension liabilities or deferred inflows and outflows of financial resources in its financial statements. Payments made by the State to the TPAF “on-behalf” of the LEAs are reported to the LEAs and reported as TPAF pension expenditures/expenses as made.

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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities’ total proportionate share of the net pension liability that is associated with the local participating employer.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. PENSION PLANS (CONT'D):

#### B. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2019 was \$280,619,104. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State's proportionate share of the TPAF net pension liability associated with the District was 0.4572507540%, which was an increase of 0.0107269482% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue in the government wide financial statements of \$16,551,665 for contributions incurred by the State.

*Actuarial Assumptions-* The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases (2011-2026)	1.55 – 4.45%
Thereafter	2.75 – 5.65%
Investment rate of return	7.00%

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

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

*Discount Rate* – The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. PENSION PLANS (CONT'D):

#### B. TEACHERS PENSION AND ANNUITY FUND (CONT'D)

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

<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	<u>12.00%</u>	10.85%
	100.00%	

*Sensitivity of Net Pension Liability to Changes in the Discount Rate* - the following presents the net pension liability of TPAF as of June 30, 2019 calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	<u>At 1% Decrease</u> <u>(4.60%)</u>	<u>At current Discount rate</u> <u>(5.60%)</u>	<u>At 1% Increase</u> <u>(6.60%)</u>
TPAF	\$72,544,649,801	\$61,519,112,443	\$52,371,397,951

*Components of Net Pension Liability* – The components of the net pension liability for TPAF, including the State of New Jersey, at June 30, 2018 is as follows:

Total pension liability	\$ 84,215,846,719
Plan fiduciary net position	<u>22,696,734,276</u>
 Net pension liability	 <u>\$ 61,519,112,443</u>
 Plan fiduciary net position as a percentage of the total pension liability:	 26.95%

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 5. PENSION PLANS (CONT'D):**

#### **B. TEACHERS PENSION AND ANNUITY FUND (CONT'D)**

*Additional Information* – Collective balances at June 30, 2019 were as follows:

Collective Deferred Outflows of Resources	\$	10,129,162,237
Collective Deferred Inflows of Resources		17,736,240,054
State's Total Non-employer Net Pension Liability		61,519,112,443
District's Proportion		0.4572507540%

Collective pension expense for the plan for the measurement period ended June 30, 2019 is \$3,628,861,805.

The average of the expected remaining service lives of all employees that are provided pension benefits through the pension plan (active and inactive employees) determined at June 30, 2019, 2018, 2017, 2016, 2015 and 2014 is 8.04, 8.29, 8.30, 8.30, 8.30 and 8.50 years, respectively.

#### **C: DEFINED CONTRIBUTION RETIREMENT PLAN**

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

*Plan Membership and Contributing Employers*- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually.

*Contribution Requirement and Benefit Provisions* - State and local government employers contribute 3% of the employee's base salary. Active members contribute 5.5% of base salary. Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

For the year ended June 30, 2019 the Board's total payroll for all employees was \$66,355,176. Total DCRP covered payroll was \$1,794,705. Covered payroll refers to all compensation paid by the Board to active employees covered by the Plan. Board and employee contributions to the DCRP for the year ended June 30, 2019 was \$53,841.

**NOTE 6. POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan:**

***Plan Description and Benefits Provided:***

P.L. 1987, c.384 and P.L. 1990, c.6. required the Teachers’ Pension and Annuity Fund (TPAF) and the Public Employees Retirement System (PERS), respectively, to fund post-retirement medical benefits for those members who retire after accumulating a minimum of 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post–retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994. The State’s contributions to the SHBP for post-retirement benefits on behalf of the District for the years ended June 30, 2020, 2019, and 2018 were \$3,698,306, \$4,164,606, and \$4,350,184, respectively, which equaled the required contributions for each year.

As the employer contributions for local government education employers are legally required to be funded by the State, this constitutes a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity.

The State is also responsible for the cost attributable P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

The State provides OPEB benefits through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The following members were covered by the benefit terms:

<u>Local Education</u>	<u>June 30, 2018</u>
Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	<u>-</u>
Total Plan Members	364,943

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. POST-EMPLOYMENT BENEFITS (CONT'D):**

**General Information about the OPEB Plan (cont'd):**

***Total OPEB Liability***

The nonemployer OPEB liability from New Jersey’s plan is \$41,729,081,045.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. The State’s proportionate share of the net OPEB liability associated with the District as of June 30, 2019 was \$160,191,054, or 0.38%. Additional information can be obtained from the State of New Jersey’s comprehensive annual financial report.

***Actuarial Assumptions and Other Inputs:***

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

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

Preretirement mortality rates were based on the Pub-2010 Headcount-Weighted Healthy Employee Male/Female mortality improvement projections from the central year using the MP-2019 scale. Postretirement mortality rates were based in the Pub-2010 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2019 scale. Disability mortality was based on the MP-2019 Headcount-Weighted Disabled

Male/Female mortality table with fully generational improvements projections from the central year using the MP-2019 scale. The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the actuarial experience studies for the periods July 1, 2015 – June 30, 2018 and July 1, 2013 – 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.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. POST-EMPLOYMENT BENEFITS (CONT'D):**

**General Information about the OPEB Plan (cont'd):**

***Healthcare Trend Assumptions:***

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

***Discount Rate:***

The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the Division. The source is 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 Total Non-employer OPEB Liability reported by the State of New Jersey:***

The following represents the change in the State's proportionate share of the OPEB liability associated with the District:

	<u>State Totals</u>	<u>District Allocation</u>
Non-employer OPEB Liability Balance-June 30, 2018:	\$46,110,832,982	\$177,158,722
Changes During the Current Year:		
Service Cost	1,734,404,850	6,698,508
Interest on the Total OPEB Liability	1,827,787,206	7,023,820
Differences Between Expected and Actual Experience	(7,323,140,818)	(28,306,835)
Changes in Assumptions	622,184,027	2,388,462
Gross Benefit Payments	(1,280,958,373)	(4,917,388)
Employee Contributions	<u>37,971,171</u>	<u>145,765</u>
Net Changes	(4,381,751,937)	(16,967,668)
Non-employer OPEB Liability Balance-June 30, 2019	<u>\$41,729,081,045</u>	<u>\$160,191,054</u>

The State's proportionate share of deferred outflows and inflows of resources associated with the District at June 30, 2019 was \$3,264,760 and \$73,075,692, respectively.

***Sensitivity of the State's Total Non-employer OPEB Liability to Changes in the Discount Rate:***

The following represents sensitivity of the State's proportionate share of the net OPEB liability associated with the District to changes in the discount rate and healthcare cost trend rate:



**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. POST-EMPLOYMENT BENEFITS (CONT'D):**

**General Information about the OPEB Plan (cont'd):**

	1% Decrease <u>(2.50%)</u>	At Discount Rate <u>(3.50%)</u>	1% Increase <u>(4.50%)</u>
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$189,248,938	\$160,191,054	\$137,109,064

***Sensitivity of the State's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:***

The following presents the State's proportionate share of the net OPEB liability associated with the District calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	Healthcare Cost <u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$131,990,288	\$160,191,054	\$197,523,077

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

For the year ended June 30, 2020, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$4,338,952 for OPEB expenses incurred by the State. Collective balances of the Education Group at June 30, 2019 are as follows:

Deferred outflows of resources	\$ 1,921,145,183
Deferred inflows of resources	\$ (20,887,639,826)
Collective OPEB expense	\$ 1,015,664,874

**NOTE 7. OPERATING LEASES**

The District reported no operating leases as of June 30, 2020.

**NOTE 8. COMPENSATED ABSENCES**

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and accumulate for use in future years. Upon the attainment of specified years of service or upon reaching normal retirement age, employees become eligible to receive compensation for unused accumulated sick leave. The specific terms for eligibility and compensation are governed by the various collective bargaining agreements and employment contracts.

In the district-wide Statement of Net Assets, 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.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. The District has contracted with a private management company to provide food services. Personnel involved in cafeteria operations are employees of the management company and, accordingly, the District has no liability for vested compensated absences in its proprietary fund.

Statement No. 16 of the Governmental Accounting Standards Board (GASB 16) establishes the specific standards for the recognition of liabilities for compensated absences. GASB 16 establishes the following recognition and measurement criteria:

Vacation Leave - Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- a. The employees' rights to receive compensation are attributable to services already rendered, and
- b. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The above criteria were utilized by the Board in the determination of the reported liability for compensated absences relating to vacation leave.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 8. COMPENSATED ABSENCES (CONT'D)**

Sick Leave - A liability should be accrued for sick leave and other compensated absences with similar characteristics using one of the following termination approaches:

- a. A liability should be accrued as the benefits are earned by employees if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employees' termination or retirement (the Termination Payment Method), or
- b. A liability should be accrued based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments, as well as other employees who are expected to become eligible in the future to receive such payments (the Vesting Method).

Under either of the above methods, payment "caps" or reduced pay rates would be factored into the liability calculation.

The amount of \$902,541.50 presented in the District-wide financial statements as compensated absences payable reflects accruals utilizing the Vesting Method and includes amounts for each employee eligible for a termination payment currently and those who will become eligible within the next five years. Employees who separate from service prior to attaining eligibility are not entitled to termination payments. Accrued vacations are negligible and were not included in calculations of the total value of compensated absences payable.

### **NOTE 9. DEFERRED COMPENSATION**

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by third parties who are authorized by the Board and selected by each participant individually, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

### **NOTE 10. RISK MANAGEMENT**

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

**Property and Liability Insurance** - 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. During the school year ended June 30, 2020, the District was a member of the New Jersey Schools Insurance Group (the "Group"). The Group provides workers' compensation, property, liability errors and omissions and crime coverages to its members through self-insured risk pooling and reinsurance policy coverage to reduce exposure to large losses. Additional information relating to the Group is available from its Executive Director at 6000 Midlantic Drive, Mount Laurel, NJ 08054 or at the Group's webpage [www.njsiq.org](http://www.njsiq.org).

**Employee Health Benefit/Prescription** - During the school year ended June 30, 2016, the District implemented a self-insurance program for health and prescription coverage's. For the year ended June 30, 2020, the Board has incurred cost totaling \$14,607,395 for health and prescription benefits for all employees. In addition, the Board has provided for IBNR as calculated in the amount of \$956,200 for the year ended June 30, 2020.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 11. 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.

Due to legal restrictions imposed by the State of New Jersey on the accumulated balance in the District's Unemployment Compensation Insurance Fund, the District has elected to treat this fund as an expendable trust fund for the purpose of financial reporting. Information relating to this fund for the years ended June 30, 2018 and the previous two years is as follows:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Federal Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 30,000.00	\$ 116,606.27	\$ 51,742.84	\$ 148,581.10	\$ 368,950.09
2018-2019	20,000.00	93,240.41		87,539.45	313,421.45
2017-2018	30,000.00	90,052.25		104,148.23	280,536.71
2016-2017	70,050.00	153,904.71		142,915.64	259,659.67

### **NOTE 12. INTERFUND RECEIVABLES AND PAYABLES**

No interfund balances remained on the balance sheet at June 30, 2020.

### **NOTE 13. FUND BALANCE APPROPRIATED**

**General Fund (Exhibit B-1)** - Of the \$23,397,657.51 General Fund balance at June 30, 2020, \$1,394,600.84 is assigned for encumbrances; \$2,475,188.00 has been appropriated and included as anticipated revenue for the year ending June 30, 2021; \$1,863,905.96 has been reserved as "Excess Surplus N.J.S.A. 18A:7F-7"; \$1,633,475.00 has been reserved for the Maintenance Reserve Account; \$12,896,987.00 has been reserved for the Capital Reserve Account; \$1,000,000 for Emergency Reserve; and \$2,133,500.71 is unassigned.

**Capital Projects Fund (Exhibit B-1)** - The entire amount of \$1,177,544.10 of Capital Projects Fund fund balance at June 30, 2020 is assigned for Capital Projects Expenditures for authorized projects.

**Debt Service Fund (Exhibit B-1)** - Of the \$123,734.71 Debt Service Fund fund balance at June 30, 2020, the entire amount is assigned for Debt Service Expenditures.

### **NOTE 14. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based upon the reduction in the maximum undesignated surplus permitted as a result of the enactment of S1701, the District had excess surplus at June 30, 2020 in the amount of \$1,863,905.96. This amount will be utilized as tax relief in the 2020-2021 school budget. There is another \$1,465,695.87 of excess surplus designated for subsequent year's expenditures.

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 15. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District of Westfield Board of Education by inclusion of \$1.00 on October 3, 2000 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) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 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 projects in its approved LRFP.

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

Beginning Balance, July 1, 2019	\$ 7,582,812.02
Transferred to Capital Projects	(685,825.09)
Deposits per Board Approval June 16, 2020	<u>6,000,000.07</u>
Ending Balance June 30, 2020	<u>\$12,896,987.00</u>

### **NOTE 16. MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established through a Board resolution by the School District of Westfield Board of Education in the amount of \$2,200,000.00 in the 2010-2011 school year for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701).

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

Beginning Balance, July 1, 2019	\$ 2,009,504.92
Appropriated 2019-2020	(538,390.27)
Deposits per Board Approval	<u>162,360.35</u>
Ending Balance June 30, 2020	<u>\$1,633,475.00</u>

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 17. EMERGENCY RESERVE ACCOUNT**

A emergency reserve account was established through a Board resolution by the School District of Westfield Board of Education in the amount of \$1,000,000 in the 2017-2018 school year.

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

Beginning Balance June 30, 2019	\$1,000,000.00
Ending Balance June 30, 2020	<u>\$1,000,000.00</u>

### **NOTE 18. TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district. For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Town of Westfield reported no tax abatements for calendar years 2019 or 2020 in its "User Friendly Budgets", which are required to be filed with the Division of Local Government Services, in the Department of Community Affairs, State of New Jersey, on an annual basis.

### **NOTE 19. PENDING LITIGATION AND CONTINGENT LIABILITIES**

**PENDING LITIGATION** - At June 30, 2020, there was no litigation pending for which an unfavorable outcome with a material adverse impact on the net position of the District was anticipated.

#### **Infectious Disease Outbreak – COVID-19**

COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the "*Pandemic*") by the World Health Organization and is currently affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Department of Health and Human Services declared a public health emergency for the United States and, on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President's Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States.

In New Jersey, Governor Murphy declared a state of emergency on March 9, 2020, and has since issued multiple Executive Orders regarding the Pandemic. The District expects ongoing actions will

## NOTES TO FINANCIAL STATEMENTS

### **NOTE 20. PENDING LITIGATION AND CONTINGENT LIABILITIES (CONT'D)**

be taken by State, federal and local governments and private entities to mitigate the spread and impacts of the Pandemic. The Pandemic has negatively affected travel, commerce and financial markets globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide.

The District cannot reasonably predict how long the Pandemic in New Jersey is expected to last, how the outbreak may impact the financial condition or operations of the District, any unexpected deferrals of tax payments, and/or state or federal aid to the District or the costs associated with this or any other potential infectious disease outbreak, including whether there will be any reduction in State funding or an increase in operational costs of the District.

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

### **NOTE 21. SUBSEQUENT EVENTS**

No events have occurred subsequent to the close of the fiscal year that require disclosure herein.

**REQUIRED SUPPLEMENTARY  
INFORMATION  
PART II**



**BUDGETARY COMPARISON SCHEDULES**  
**SECTION – C**

**WESTFIELD 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>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 101,420,397.00	\$ -	\$ 101,420,397.00	\$ 101,420,397.00	\$ -
Tuition from Individuals	74,000.00	-	74,000.00	37,005.00	(36,995.00)
Transportation Fees from Individuals	15,000.00	-	15,000.00	22,095.00	7,095.00
Miscellaneous	830,000.00	-	830,000.00	1,206,983.47	376,983.47
Other Restricted Miscellaneous Revenue	50,000.00	-	50,000.00	96,500.44	46,500.44
<b>Total - Local Sources</b>	<b>102,389,397.00</b>	<b>-</b>	<b>102,389,397.00</b>	<b>102,782,980.91</b>	<b>393,583.91</b>
State Sources:					
Categorical Transportation Aid	575,681.00	-	575,681.00	575,681.00	-
Extraordinary Aid	975,000.00	-	975,000.00	1,494,821.00	519,821.00
Categorical Special Ed. Aid	3,267,760.00	-	3,267,760.00	3,267,761.00	1.00
Categorical Security Aid	437,833.00	-	437,833.00	437,833.00	-
State of New Jersey On-Behalf Contributions:					
TPAF Pension Contrib. (non-budgeted)			-	9,968,972.00	9,968,972.00
TPAF Post Retire Med. Contrib. (non-budgeted)				3,698,306.00	3,698,306.00
TPAF NCGI/LTDI Premiums (non-budgeted)				7,192.00	7,192.00
TPAF Employer FICA Contrib. (non-budgeted)				3,569,611.10	3,569,611.10
<b>Total - State Sources</b>	<b>5,256,274.00</b>	<b>-</b>	<b>5,256,274.00</b>	<b>23,020,177.10</b>	<b>17,763,903.10</b>
Federal Sources:					
Medical Reimbursement	65,892.00	-	65,892.00	42,572.37	(23,319.63)
<b>Total - Federal Sources</b>	<b>65,892.00</b>	<b>-</b>	<b>65,892.00</b>	<b>42,572.37</b>	<b>(23,319.63)</b>
<b>Total Revenues</b>	<b>107,711,563.00</b>	<b>-</b>	<b>107,711,563.00</b>	<b>125,845,730.38</b>	<b>18,134,167.38</b>

**WESTFIELD 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>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	\$ 212,983.00	\$ 1,060.00	\$ 214,043.00	\$ 209,740.92	\$ 4,302.08
Kindergarten	614,784.00	(677.00)	614,107.00	604,018.69	10,088.31
Grades 1- 5	12,828,955.00	(187,561.00)	12,641,394.00	12,479,967.08	161,426.92
Grades 6- 8	8,824,483.00	(204,512.00)	8,619,971.00	8,605,679.72	14,291.28
Grades 9-12	10,671,937.00	(55,799.00)	10,616,138.00	10,538,143.69	77,994.31
Regular Programs - Home Instr.:					
Salaries of Teachers	133,154.00	-	133,154.00	33,803.35	99,350.65
Purchased Prof./Educational Services	85,700.00	(5,100.00)	80,600.00	52,729.76	27,870.24
Regular Programs - Undistrib. Instr.:					
Other Salaries for Instruction	122,924.00	7,569.00	130,493.00	128,826.86	1,666.14
Unused Sick/Vacation		110,390.00	110,390.00	110,390.00	-
Purchased Prof./Educational Services	15,650.00	2,700.00	18,350.00	15,299.25	3,050.75
Purchased Technical Services	277,777.00	(169,427.75)	108,349.25	107,121.86	1,227.39
Other Purchased Services (400-500 series)	339,826.00	5,820.00	345,646.00	237,332.92	108,313.08
General Supplies	1,229,275.00	189,375.00	1,418,650.00	1,066,104.33	352,545.67
Textbooks	209,473.00	(43,787.00)	165,686.00	96,566.13	69,119.87
Other Objects	1,475.00	275.00	1,750.00	1,290.00	460.00
<b>Total Regular Programs - Instruction</b>	<b>35,568,396.00</b>	<b>(349,674.75)</b>	<b>35,218,721.25</b>	<b>34,287,014.56</b>	<b>931,706.69</b>
Learning/Language Disabilities:					
Salaries of Teachers	469,536.00	382.00	469,918.00	465,345.57	4,572.43
Other Salaries for Instruction	161,326.00	(6,441.00)	154,885.00	141,001.63	13,883.37
Unused Sick/Vacation		23,440.00	23,440.00	23,440.00	-
Purchased Prof./Educational Services	8,165.00	1,466.00	9,631.00	9,511.20	119.80
General Supplies	15,383.00	(9,209.00)	6,174.00	5,469.47	704.53
Textbooks	1,315.00	(1,315.00)	-	-	-
<b>Total Learning/Language Disabilities</b>	<b>655,725.00</b>	<b>8,323.00</b>	<b>664,048.00</b>	<b>644,767.87</b>	<b>19,280.13</b>
Behavioral Disabilities:					
Salaries of Teachers	200,104.00	7,475.00	207,579.00	204,954.96	2,624.04
Other Salaries for Instruction	37,831.00	389.00	38,220.00	37,219.60	1,000.40
General Supplies	8,682.00	(4,280.00)	4,402.00	3,492.28	909.72
<b>Total Behavioral Disabilities</b>	<b>246,617.00</b>	<b>3,584.00</b>	<b>250,201.00</b>	<b>245,666.84</b>	<b>4,534.16</b>

**WESTFIELD 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 (CONT'D.):</b>					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 6,473,313.00	\$ 149,133.00	\$ 6,622,446.00	\$ 6,589,554.47	\$ 32,891.53
Other Salaries for Instruction	253,874.00	(13,600.00)	240,274.00	227,724.93	12,549.07
Unused Sick/Vacation		23,440.00	23,440.00	23,440.00	-
Purchased Prof. Educational Serv.	312.00	(312.00)	-	-	-
General Supplies	36,990.00	(2,873.00)	34,117.00	26,667.51	7,449.49
Textbooks	2,626.00	(707.00)	1,919.00	1,063.78	855.22
<b>Total Resource Room/Resource Center</b>	<b>6,767,115.00</b>	<b>155,081.00</b>	<b>6,922,196.00</b>	<b>6,868,450.69</b>	<b>53,745.31</b>
Autism:					
Salaries of Teachers	447,931.00	-	447,931.00	420,615.94	27,315.06
Other Salaries for Instruction	257,439.00	(28,997.00)	228,442.00	226,750.16	1,691.84
General Supplies	28,216.00	(19,566.00)	8,650.00	4,691.23	3,958.77
<b>Total Autism</b>	<b>733,586.00</b>	<b>(48,563.00)</b>	<b>685,023.00</b>	<b>652,057.33</b>	<b>32,965.67</b>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	159,621.00	-	159,621.00	157,041.18	2,579.82
Other Salaries for Instruction	101,042.00	(14,653.00)	86,389.00	70,099.15	16,289.85
<b>Total Preschool Disabilities - Full-Time</b>	<b>260,663.00</b>	<b>(14,653.00)</b>	<b>246,010.00</b>	<b>227,140.33</b>	<b>18,869.67</b>
<b>Total Special Education</b>	<b>8,663,706.00</b>	<b>103,772.00</b>	<b>8,767,478.00</b>	<b>8,638,083.06</b>	<b>129,394.94</b>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	1,074,157.00	61,182.00	1,135,339.00	1,106,351.63	28,987.37
General Supplies	5,350.00	(998.00)	4,352.00	2,348.27	2,003.73
Textbooks	200.00	-	200.00	-	200.00
<b>Total Basic Skills/Remedial - Instruction</b>	<b>1,079,707.00</b>	<b>60,184.00</b>	<b>1,139,891.00</b>	<b>1,108,699.90</b>	<b>31,191.10</b>

**WESTFIELD 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 (CONT'D.):</b>					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 171,877.00	\$ 21,989.00	\$ 193,866.00	\$ 192,454.27	\$ 1,411.73
Total Bilingual Education - Instruction	171,877.00	21,989.00	193,866.00	192,454.27	1,411.73
School - Sponsored Cocurricular & Extra Curric - Instr. Activities:					
Salaries	433,210.00	-	433,210.00	424,592.64	8,617.36
Purchased Services (300-500 series)	8,100.00	6,337.00	14,437.00	8,763.69	5,673.31
Supplies and Materials	20,564.00	(275.00)	20,289.00	18,753.78	1,535.22
Other Objects	9,225.00	6,770.00	15,995.00	13,287.00	2,708.00
Total School - Sponsored Cocurricular Activities & Extra Curric. - Instr.	471,099.00	12,832.00	483,931.00	465,397.11	18,533.89
School - Sponsored Athletics:					
Salaries	1,049,381.00	30,217.00	1,079,598.00	1,077,667.12	1,930.88
Purchased Services (300-500 series)	53,750.00	(3,168.00)	50,582.00	44,672.50	5,909.50
Supplies and Materials	101,600.00	(14,275.00)	87,325.00	87,081.56	243.44
Misc. Expenditures	133,984.00	50.00	134,034.00	133,379.83	654.17
Total School - Sponsored Athletics	1,338,715.00	12,824.00	1,351,539.00	1,342,801.01	8,737.99
Summer School - Instruction					
Salaries	6,980.00	-	6,980.00	6,780.00	200.00
General Supplies	800.00	-	800.00	190.76	609.24
Total - Summer School - Instruction	7,780.00	-	7,780.00	6,970.76	809.24
Total Instruction	47,301,280.00	(138,073.75)	47,163,206.25	46,041,420.67	1,121,785.58

**WESTFIELD 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 (CONT'D.):</b>					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	\$ 1,245,639.00	\$ (70,310.00)	\$ 1,175,329.00	\$ 1,150,724.38	\$ 24,604.62
Tuition to County Vocational School Dist. - Regular	496,000.00	49,356.00	545,356.00	518,300.00	27,056.00
Tuition to County Vocational School Dist. - Special	54,000.00	(8,000.00)	46,000.00	45,500.00	500.00
Tuition to Priv. Schools for the Disabled-W/ State	4,233,033.00	(700,521.00)	3,532,512.00	3,449,910.14	82,601.86
Tuition to Priv. Schools for the Disabled and Other LEAs- Special, Outside the State	30,000.00	403,386.00	433,386.00	433,198.78	187.22
<b>Total Undistrib. Expend. - Instruc.</b>	<b>6,058,672.00</b>	<b>(326,089.00)</b>	<b>5,732,583.00</b>	<b>5,597,633.30</b>	<b>134,949.70</b>
Attendance and Social Work Services:					
Salaries	41,571.00	-	41,571.00	40,908.27	662.73
<b>Total Attendance and Social Work Serv.</b>	<b>41,571.00</b>	<b>-</b>	<b>41,571.00</b>	<b>40,908.27</b>	<b>662.73</b>
Health Services:					
Salaries	1,183,553.00	(10,000.00)	1,173,553.00	1,150,637.42	22,915.58
Unused Sick/Vacation		9,380.00	9,380.00	9,380.00	-
Purchased Professional and Technical Services	164,405.00	41,282.00	205,687.00	141,384.71	64,302.29
Supplies and Materials	17,725.00	270.00	17,995.00	17,005.91	989.09
Other Objects	850.00	-	850.00		850.00
<b>Total Health Services</b>	<b>1,366,533.00</b>	<b>40,932.00</b>	<b>1,407,465.00</b>	<b>1,318,408.04</b>	<b>89,056.96</b>
Speech, OT, PT & Related Services					
Salaries	1,912,241.00	(102,367.50)	1,809,873.50	1,793,623.29	16,250.21
Purchased Professional/Educational Services	1,341,082.00	166.00	1,341,248.00	1,259,911.51	81,336.49
Supplies and Materials	20,961.00	(944.00)	20,017.00	19,949.88	67.12
<b>Total Other Support Services-Student Related</b>	<b>3,274,284.00</b>	<b>(103,145.50)</b>	<b>3,171,138.50</b>	<b>3,073,484.68</b>	<b>97,653.82</b>
Other Support Services-Student Extra					
Salaries	1,645,044.00	33,372.00	1,678,416.00	1,642,150.20	36,265.80
Purchased Professional/Educational Services	217,469.00	285,281.00	502,750.00	453,561.80	49,188.20
Other Objects	3,609.00	(3,609.00)	-		-
<b>Total Other Support Services-Student Extra</b>	<b>1,866,122.00</b>	<b>315,044.00</b>	<b>2,181,166.00</b>	<b>2,095,712.00</b>	<b>85,454.00</b>

**WESTFIELD 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 (CONT'D.):</b>					
Other Support Services - Guidance					
Salaries of Other Professional Staff	\$ 2,142,643.00	\$ (13,177.00)	\$ 2,129,466.00	\$ 2,074,579.89	\$ 54,886.11
Salaries of Secret. & Clerical Assts.	246,515.00	(4,000.00)	242,515.00	212,914.06	29,600.94
Other Salaries	2,719.00	-	2,719.00	1,154.36	1,564.64
Unused Sick/Vacation		11,720.00	11,720.00	11,720.00	-
Purchased Professional/Educational Services	27,885.00	(315.00)	27,570.00	15,316.08	12,253.92
Other Purchased Services (400-500 series)	9,710.00	-	9,710.00	4,578.18	5,131.82
Supplies and Materials	12,423.00	170.00	12,593.00	10,377.25	2,215.75
Other Objects	1,275.00	175.00	1,450.00	1,450.00	-
	<u>2,443,170.00</u>	<u>(5,427.00)</u>	<u>2,437,743.00</u>	<u>2,332,089.82</u>	<u>105,653.18</u>
Total Other Support Services - Students - Regular					
Other Support Services - Child Study Teams					
Salaries of Other Professional Staff	1,753,499.00	4,505.50	1,758,004.50	1,757,093.63	910.87
Salaries of Secr. & Clerical Assts.	302,546.00	(4,200.00)	298,346.00	295,377.10	2,968.90
Unused Sick/Vacation		11,720.00	11,720.00	11,720.00	-
Purchased Professional/Educational Services	180,997.00	32,255.00	213,252.00	185,203.50	28,048.50
Other Purchased Services (400-500 series)	12,368.00	(2,083.00)	10,285.00	9,917.04	367.96
Residential Costs	40,332.00	-	40,332.00	-	40,332.00
Supplies and Materials	14,026.00	7,835.00	21,861.00	17,968.80	3,892.20
	<u>2,303,768.00</u>	<u>50,032.50</u>	<u>2,353,800.50</u>	<u>2,277,280.07</u>	<u>76,520.43</u>
Total Other Support Services - Students - Child Study Teams					

**WESTFIELD 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 (CONT'D.):</b>					
Improv. of Instruction Services/Other Support Services - Instruc. Staff:					
Salaries of Supervisors of Instruction	\$ 996,604.00	\$ 85,213.00	\$ 1,081,817.00	\$ 1,042,816.76	\$ 39,000.24
Salaries of Secr. and Clerical Assts.	198,534.00	-	198,534.00	196,111.25	2,422.75
Other Salaries	14,052.00	-	14,052.00	4,200.00	9,852.00
Purchased Professional/Educational Services	63,976.00	(5,706.00)	58,270.00	55,270.00	3,000.00
Other Purchased Prof./Tech. Services		315.00	315.00	315.00	-
Other Purchased Services (400-500 series)	42,189.00	(2,594.00)	39,595.00	13,377.74	26,217.26
Supplies and Materials	63,412.00	(16,166.00)	47,246.00	46,305.97	940.03
Miscellaneous Expenditures	12,918.00	(735.00)	12,183.00	10,907.22	1,275.78
<b>Total Improv. of Instruction Services/ Other Support Serv. - Instruc. Staff</b>	<b>1,391,685.00</b>	<b>60,327.00</b>	<b>1,452,012.00</b>	<b>1,369,303.94</b>	<b>82,708.06</b>
<b>Educational Media Serv./School Library:</b>					
Salaries	967,738.00	(4,214.00)	963,524.00	957,686.83	5,837.17
Salaries of Technology Coordinators	143,070.00	4,214.00	147,284.00	144,483.60	2,800.40
Unused Sick/Vacation		11,720.00	11,720.00	11,720.00	-
Purch. Prof. and Tech. Serv.	58,064.00	7,376.00	65,440.00	62,624.02	2,815.98
Other Purchased Services (400-500 series)	1,968.00	-	1,968.00	1,941.42	26.58
Supplies and Materials	32,685.00	1,432.00	34,117.00	30,735.82	3,381.18
<b>Total Educa. Media Serv./School Library</b>	<b>1,203,525.00</b>	<b>20,528.00</b>	<b>1,224,053.00</b>	<b>1,209,191.69</b>	<b>14,861.31</b>
<b>Instructional Staff Training Services:</b>					
Salaries of Supervisors of Instruction	8,880.00	-	8,880.00	4,010.00	4,870.00
Purchased Professional/Educational Services	66,450.00	1,635.00	68,085.00	53,265.61	14,819.39
Other Purchased Services (400-500 series)	40,795.00	(6,800.00)	33,995.00	20,864.70	13,130.30
Supplies and Materials	10,851.00	-	10,851.00	4,265.56	6,585.44
<b>Total Instr. Staff Training Serv.</b>	<b>126,976.00</b>	<b>(5,165.00)</b>	<b>121,811.00</b>	<b>82,405.87</b>	<b>39,405.13</b>



**WESTFIELD 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 (CONT'D.):</b>					
Support Serv. General Administration:					
Salaries	\$ 818,902.00	\$ -	\$ 818,902.00	\$ 777,368.63	\$ 41,533.37
Legal Services	337,500.00	(28,292.94)	309,207.06	213,504.71	95,702.35
Audit Fees	40,590.00	(3,699.00)	36,891.00	36,891.00	-
Other Purch. Professional Services	6,250.00	-	6,250.00	-	6,250.00
Purchased Technical Services	9,500.00	-	9,500.00	2,000.00	7,500.00
Communications/Telephone	365,511.00	(24,870.00)	340,641.00	330,702.06	9,938.94
BOE Other Purchased Services	2,000.00	460.00	2,460.00	1,921.46	538.54
Misc. Purch. Serv. (400-500, exc. 530 & 585)	506,869.00	(19,590.00)	487,279.00	477,134.87	10,144.13
General Supplies	23,800.00	402.00	24,202.00	10,389.87	13,812.13
Judgements Against School District	41,000.00	48,644.00	89,644.00	48,643.09	41,000.91
Misc. Expenditures	51,700.00	(1,417.00)	50,283.00	46,285.38	3,997.62
BOE Membership Dues and Fees	27,000.00	-	27,000.00	26,662.70	337.30
<b>Total Support Serv. General Administration</b>	<b>2,230,622.00</b>	<b>(28,362.94)</b>	<b>2,202,259.06</b>	<b>1,971,503.77</b>	<b>230,755.29</b>
Support Serv. School Administration:					
Salaries of Principals/Asst. Principals	2,285,412.00	-	2,285,412.00	2,258,424.87	26,987.13
Salaries of Secr. and Clerical Assts.	1,094,554.00	(40,813.00)	1,053,741.00	1,031,855.96	21,885.04
Unused Sick/Vacation - General Admin.		104,543.30	104,543.30	104,543.30	-
Purch. Prof. Educ. Serv.	1,500.00		1,500.00	910.00	590.00
Purch. Professional & Technical Serv.	10,646.00	77.00	10,723.00	6,990.50	3,732.50
Other Purchased Services (400-500 series)	65,679.00	1,350.00	67,029.00	16,579.75	50,449.25
Supplies and Materials	91,775.00	10,246.00	102,021.00	71,818.42	30,202.58
Other Objects	20,301.00	2,054.00	22,355.00	20,908.94	1,446.06
<b>Total Support Serv. School Admin.</b>	<b>3,569,867.00</b>	<b>77,457.30</b>	<b>3,647,324.30</b>	<b>3,512,031.74</b>	<b>135,292.56</b>

**WESTFIELD 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 (CONT'D.):</b>					
Central Services:					
Salaries	\$ 1,129,171.00	\$ 49,013.00	\$ 1,178,184.00	\$ 1,145,070.42	\$ 33,113.58
Unused Sick/Vacation - General Admin.		21,592.11	21,592.11	21,592.11	-
Purch. Professional Services	11,000.00	524.00	11,524.00	9,147.00	2,377.00
Purch. Technical Services	87,566.00	(12,808.00)	74,758.00	53,127.43	21,630.57
Misc. Purchased Services (400-500 O/T 594)	83,280.00	(16,557.00)	66,723.00	36,873.34	29,849.66
Supplies and Materials	46,650.00	6,336.00	52,986.00	45,722.12	7,263.88
Miscellaneous Expenditures	18,084.00	13,630.00	31,714.00	8,924.15	22,789.85
<b>Total Central Services</b>	<b>1,375,751.00</b>	<b>61,730.11</b>	<b>1,437,481.11</b>	<b>1,320,456.57</b>	<b>117,024.54</b>
Admin. Info Technology					
Salaries	723,311.00	21,757.00	745,068.00	727,909.41	17,158.59
Unused Sick/Vacation		7,044.23	7,044.23	7,044.23	-
Purch. Technical Serv.	318,040.00	139,892.00	457,932.00	401,126.97	56,805.03
Other Purchased Services (400-500 series)	3,500.00	124.00	3,624.00	3,088.63	535.37
Supplies and Matierals	30,000.00	9,737.00	39,737.00	38,052.70	1,684.30
<b>Total Admin Info Technology</b>	<b>1,074,851.00</b>	<b>178,554.23</b>	<b>1,253,405.23</b>	<b>1,177,221.94</b>	<b>76,183.29</b>
Required Maint for School Facilities:					
Salaries	657,022.00	(958.00)	656,064.00	597,206.68	58,857.32
Cleaning, Repair & Maint. Services	322,916.00	42,891.00	365,807.00	339,889.53	25,917.47
General Supplies	147,863.00	1,228.00	149,091.00	114,460.42	34,630.58
Other Objects	17,621.00	(8,787.00)	8,834.00	8,317.00	517.00
<b>Total Required Maint for School Facilities</b>	<b>1,145,422.00</b>	<b>34,374.00</b>	<b>1,179,796.00</b>	<b>1,059,873.63</b>	<b>119,922.37</b>

**WESTFIELD 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 (CONT'D.):</b>					
Custodial Services:					
Salaries	\$ 2,909,045.00	\$ 958.00	\$ 2,910,003.00	\$ 2,748,358.87	\$ 161,644.13
Salaries Non-Instructional Aides	197,700.00	100,000.00	297,700.00	228,926.03	68,773.97
Unused Sick/Vacation		120,874.79	120,874.79	120,874.79	-
Purch. Professional & Technical Serv.	43,224.00	(1,627.00)	41,597.00	41,504.77	92.23
Cleaning, Repair & Maint. Services	183,404.00	(21,920.64)	161,483.36	147,600.52	13,882.84
Rental of Land & Bldg. Other than Lease Pur Agrmt	1,740.00	(660.00)	1,080.00	1,051.95	28.05
Other Purchased Property Services	155,388.00	-	155,388.00	139,800.51	15,587.49
Insurance	155,985.00	(16,506.00)	139,479.00	139,478.01	0.99
General Supplies	313,642.00	(17,729.00)	295,913.00	275,108.60	20,804.40
Energy (Natural Gas)	386,561.00	(55,771.00)	330,790.00	271,392.19	59,397.81
Energy (Electricity)	666,080.00	(54,863.00)	611,217.00	569,283.34	41,933.66
Miscellaneous Expenditures	1,768.00	320.00	2,088.00	2,057.04	30.96
<b>Total Operation of Plant</b>	<b>5,014,537.00</b>	<b>53,076.15</b>	<b>5,067,613.15</b>	<b>4,685,436.62</b>	<b>382,176.53</b>
Care & Upkeep Grounds					
Salaries	184,293.00	-	184,293.00	141,640.86	42,652.14
Cleaning, Repair, and Maintenance Services	39,390.00	7,678.00	47,068.00	25,640.45	21,427.55
General Supplies	38,650.00	(12,056.00)	26,594.00	23,242.50	3,351.50
<b>Total Care &amp; Upkeep Grounds</b>	<b>262,333.00</b>	<b>(4,378.00)</b>	<b>257,955.00</b>	<b>190,523.81</b>	<b>67,431.19</b>
Security					
Salaries	84,506.00	11,825.00	96,331.00	89,706.09	6,624.91
Purchased Professional and Technical Services	192,933.00	(16,058.00)	176,875.00	176,875.00	-
General Supplies	5,500.00	14,888.00	20,388.00	20,137.06	250.94
<b>Total Security</b>	<b>282,939.00</b>	<b>10,655.00</b>	<b>293,594.00</b>	<b>286,718.15</b>	<b>6,875.85</b>
<b>Total Operation &amp; Maint. Of Plant Serv.</b>	<b>6,705,231.00</b>	<b>93,727.15</b>	<b>6,798,958.15</b>	<b>6,222,552.21</b>	<b>576,405.94</b>

**WESTFIELD 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 (CONT'D.):</b>					
Student Transportation Services:					
Contracted Services (Between Home & School) - Vendors	\$ 341,974.00	\$ 50,832.00	\$ 392,806.00	\$ 322,835.71	\$ 69,970.29
Contracted Services (Other Than Between Home & School) - Vendors	264,930.00	54,252.00	319,182.00	276,574.43	42,607.57
Contracted Services (Special Ed. Students) - Vendors	525,684.00	30,831.00	556,515.00	475,590.50	80,924.50
Contracted Services (Regular Students) - ESCs & CTSA's	119,933.00	(37,774.00)	82,159.00	81,407.32	751.68
Contracted Services (Special Ed. Students) - ESCs & CTSA's	1,835,033.00	133,762.00	1,968,795.00	1,579,250.80	389,544.20
Contracted Services - Aid in Lieu of Payments - NonPublic Schools	275,000.00	30,950.00	305,950.00	202,652.00	103,298.00
<b>Total Student Transportation Services</b>	<b>3,362,554.00</b>	<b>262,853.00</b>	<b>3,625,407.00</b>	<b>2,938,310.76</b>	<b>687,096.24</b>
Unallocated Employee Benefits:					
Group Insurance	229,556.00	(41,729.00)	187,827.00	167,158.99	20,668.01
Social Security Contributions	996,490.00	14,729.00	1,011,219.00	1,011,218.78	0.22
Other Retirement Contributions - PERS	1,590,428.00	(245,326.00)	1,345,102.00	1,337,022.19	8,079.81
Unemployment Compensation	60,000.00	94,950.00	154,950.00	154,950.00	-
Workmen's Compensation	411,613.00	(65,971.00)	345,642.00	345,641.60	0.40
Health Benefits	18,457,142.00	-	18,457,142.00	14,607,394.53	3,849,747.47
Tuition Reimbursements	172,365.00	-	172,365.00	71,350.68	101,014.32
Other Employee Benefits	370,597.00	(285,111.43)	85,485.57	83,185.00	2,300.57
<b>Total Unallocated Employee Benefits</b>	<b>22,288,191.00</b>	<b>(528,458.43)</b>	<b>21,759,732.57</b>	<b>17,777,921.77</b>	<b>3,981,810.80</b>
TPAF Pension Contrib. (non-budgeted)				9,968,972.00	(9,968,972.00)
TPAF Post Retire Med. Contrib. (non-budgeted)				3,698,306.00	(3,698,306.00)
TPAF NCGI/LTDI Premiums (non-budgeted)				7,192.00	(7,192.00)
TPAF Employer FICA Contrib. (non-budgeted)				3,569,611.10	(3,569,611.10)
<b>Total On-Behalf Benefits Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,244,081.10</b>	<b>(17,244,081.10)</b>
<b>Total Undistributed Expenditures</b>	<b>60,683,373.00</b>	<b>164,537.42</b>	<b>60,847,910.42</b>	<b>71,560,497.54</b>	<b>(10,712,587.12)</b>
<b>Total Operating Expenditures</b>	<b>107,984,653.00</b>	<b>26,463.67</b>	<b>108,011,116.67</b>	<b>117,601,918.21</b>	<b>(9,590,801.54)</b>

**WESTFIELD 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 (CONT'D.):</b>					
CAPITAL OUTLAY:					
Regular Programs - Instruction:					
Grades 6-8		\$ 21,520.00	\$ 21,520.00	\$ 21,301.39	\$ 218.61
Grades 9-12		15,852.00	15,852.00	9,881.12	5,970.88
Special Education - Instruction:					
Behavioral Disabilities		3,590.00	3,590.00	3,589.38	0.62
Related Services		13,566.00	13,566.00	13,468.15	97.85
Autism		11,539.00	11,539.00	11,536.30	2.70
Other Instruction:					
School Sponsored Cocurricular		3,034.00	3,034.00	3,033.44	0.56
School Sponsored Athletic		7,407.00	7,407.00	7,406.48	0.52
Undistributed Expenditures-Support Services:		-			
General Administration	385,000.00	(251,760.00)	133,240.00	133,239.50	0.50
Central Services		2,080.00	2,080.00	2,079.54	0.46
Admin. Info. Tech.		64,606.00	64,606.00	38,359.20	26,246.80
Req. Maint. For School Facilities		851,294.04	851,294.04	295,821.68	555,472.36
Custodial Services		23,224.00	23,224.00	23,224.00	-
Care and Upkeep of Grounds		73,480.00	73,480.00	73,468.58	11.42
Security		54,650.00	54,650.00	35,007.24	19,642.76
<b>Total Equipment</b>	<b>385,000.00</b>	<b>894,082.04</b>	<b>1,279,082.04</b>	<b>671,416.00</b>	<b>607,666.04</b>
Facilities Acquis. & Constr. Services:					
Construction Services		11,142.00	11,142.00	11,141.42	0.58
Assessment for Debt Service on SDA Funding	48,016.00	-	48,016.00	48,016.00	-
<b>Total Facil. Acquis. &amp; Constr. Services</b>	<b>48,016.00</b>	<b>11,142.00</b>	<b>59,158.00</b>	<b>59,157.42</b>	<b>0.58</b>
<b>Total Capital Outlay</b>	<b>433,016.00</b>	<b>905,224.04</b>	<b>1,338,240.04</b>	<b>730,573.42</b>	<b>607,666.62</b>
<b>Total Expenditures</b>	<b>108,417,669.00</b>	<b>931,687.71</b>	<b>109,349,356.71</b>	<b>118,332,491.63</b>	<b>(8,983,134.92)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(706,106.00)	(931,687.71)	(1,637,793.71)	7,513,238.75	9,151,032.46

**WESTFIELD 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
Other Financing Sources (Uses)					
Transfer Capital Reserve to Capital Projects Fund	(10,304,375.00)	-	(10,304,375.00)	(685,825.09)	9,618,549.91
Transfer to Charter School	(43,894.00)	-	(43,894.00)	(30,866.00)	13,028.00
Total Other Financing Sources (Uses)	<u>(10,348,269.00)</u>	<u>-</u>	<u>(10,348,269.00)</u>	<u>(716,691.09)</u>	<u>9,631,577.91</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(11,054,375.00)	(931,687.71)	(11,986,062.71)	6,796,547.66	18,782,610.37
Fund Balances, July 1	17,022,914.85		17,022,914.85	17,022,914.85	
<b>Fund Balances, June 30</b>	<b>\$ <u>5,968,539.85</u></b>	<b>\$ <u>(931,687.71)</u></b>	<b>\$ <u>5,036,852.14</u></b>	<b>\$ <u>23,819,462.51</u></b>	<b>\$ <u>18,782,610.37</u></b>
<b>Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)</b>					
Budgeted fund balance	\$ (1,849,078.00)	\$	\$ (1,849,078.00)	\$ 2,251,700.46	\$ 4,100,778.46
Increase in capital reserve	1,000,000.00		1,000,000.00	6,000,000.00	5,000,000.00
Withdrawal from capital reserve	(10,304,375.00)		(10,304,375.00)	(685,825.09)	9,618,549.91
Increase in maintenance reserve	99,078.00		99,078.00	162,360.00	63,282.00
Appropriations from maintenance reserve		(538,390.00)	(538,390.00)	(538,390.00)	-
Adjustment for prior year encumbrances		(393,297.71)	(393,297.71)	(393,297.71)	-
<b>Total</b>	<b>\$ <u>(11,054,375.00)</u></b>	<b>\$ <u>(931,687.71)</u></b>	<b>\$ <u>(11,986,062.71)</u></b>	<b>\$ <u>6,796,547.66</u></b>	<b>\$ <u>18,782,610.37</u></b>
<u>Recapitulation:</u>					
<u>Restricted Fund Balance:</u>					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 1,465,695.87	
Reserve for Excess Surplus				1,863,905.96	
Emergency Reserve				1,000,000.00	
Maintenance Reserve				1,633,475.00	
Capital Reserve				12,896,987.00	
<u>Assigned Fund Balance:</u>					
Year-end Encumbrances				1,394,600.84	
<u>Assigned:</u>					
Designated for Subsequent Year's Expenditures				1,009,492.13	
Unassigned Fund Balance				<u>2,555,305.71</u>	
<u>Reconciliation to Governmental Funds Statements (GAAP):</u>					
Delayed State Aid Payment not recognized on GAAP basis				<u>(421,805.00)</u>	
<b>Fund Balance per Governmental Funds (GAAP)</b>				<b>\$ <u>23,397,657.51</u></b>	

**WESTFIELD SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND (Budgetary Basis)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources	\$ 271,305.00	\$ 15,523.00	\$ 286,828.00	\$ 196,638.85	\$ (90,189.15)
Federal Sources	1,697,334.00	237,708.11	1,935,042.11	1,715,315.08	(219,727.03)
Local Sources		741,257.34	741,257.34	616,799.26	(124,458.08)
<b>Total Revenues</b>	<b><u>1,968,639.00</u></b>	<b><u>994,488.45</u></b>	<b><u>2,963,127.45</u></b>	<b><u>2,528,753.19</u></b>	<b><u>(434,374.26)</u></b>
<b>EXPENDITURES:</b>					
Instruction					
Teacher Salaries	183,590.00	(24,723.22)	158,866.78	144,365.82	14,500.96
Other Salaries for Instruction	15,284.00	15,823.21	31,107.21	8,290.00	22,817.21
Tuition	1,261,892.00	69,578.15	1,331,470.15	1,325,745.55	5,724.60
Purchased Professional/Educational Services	1,407.00	3,560.00	4,967.00	3,580.00	1,387.00
General Supplies	10,930.00	158,906.95	169,836.95	58,687.98	111,148.97
Textbooks	19,018.00	3,595.96	22,613.96	15,186.26	7,427.70
Other Objects	524.00	6,620.00	7,144.00	6,094.00	1,050.00
<b>Total Instruction</b>	<b><u>1,492,645.00</u></b>	<b><u>233,361.05</u></b>	<b><u>1,726,006.05</u></b>	<b><u>1,561,949.61</u></b>	<b><u>164,056.44</u></b>
Support Services					
Salaries of Other Professional Staff	135,431.00	(6,100.00)	129,331.00	107,327.27	22,003.73
Salaries of Secr & Cler Assts	24,243.00	1,757.00	26,000.00	13,690.06	12,309.94
Other Salaries	140,000.00	-	140,000.00	140,000.00	-
Personal Services - Employee Benefits	46,798.00	5,176.03	51,974.03	44,589.74	7,384.29
Tuition Reimbursements		690.00	690.00	665.00	25.00
Purchased Professional/Educational Services	51,887.00	13,607.17	65,494.17	26,782.59	38,711.58
Other Purchased Professional Services	34,547.00	8,316.00	42,863.00	30,911.75	11,951.25

**WESTFIELD SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND (Budgetary Basis)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Support Services (Cont'd.)					
Cleaning, Repairs & Maint.	\$ 382.00	\$ (339.50)	\$ 42.50	\$	\$ 42.50
Contracted Services-Trans. (Other Than Home/School)	510.00	2,923.36	3,433.36	1,250.00	2,183.36
Contracted Services-Trans. (Special Ed.)	10,153.00	(224.00)	9,929.00	9,929.00	-
Contracted Services-Trans. (Regular-ESCs/CTSAs)		1,875.00	1,875.00		1,875.00
Travel	4,850.00	1,624.81	6,474.81	2,660.88	3,813.93
Communications/Telephone	1,573.00	(723.00)	850.00	850.00	-
Supplies and Materials	11,212.00	90,514.26	101,726.26	17,532.19	84,194.07
<b>Total Support Services</b>	<b>461,586.00</b>	<b>119,097.13</b>	<b>580,683.13</b>	<b>396,188.48</b>	<b>184,494.65</b>
Facilities Acquisition and Construction Services:					
Construction Services		343,355.08	343,355.08	343,355.08	-
Instructional Equipment		245,402.36	245,402.36	183,802.20	61,600.16
Non-Instructional Equipment	14,408.00	53,272.83	67,680.83	43,457.82	24,223.01
<b>Total Facilities Acquisition and Construction Services</b>	<b>14,408.00</b>	<b>642,030.27</b>	<b>656,438.27</b>	<b>570,615.10</b>	<b>85,823.17</b>
<b>Total Expenditures</b>	<b>1,968,639.00</b>	<b>994,488.45</b>	<b>2,963,127.45</b>	<b>2,528,753.19</b>	<b>434,374.26</b>



**NOTES TO THE REQUIRED  
SUPPLEMENTARY INFORMATION – PART II**

**WESTFIELD 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

		<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	\$ 125,845,730.38	(C-2)	\$ 2,528,753.19
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				
Prior year				119,942.27
Current year				(84,406.18)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements (Net)		<u>(49,274.00)</u>		
<b>Total revenues as reported on the statement of revenues, expenditures and change in fund balances - governmental funds</b>	<b>(B-2)</b>	<b><u>\$ 125,796,456.38</u></b>	<b>(B-2)</b>	<b><u>\$ 2,564,289.28</u></b>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	\$ 118,332,491.63	(C-2)	\$ 2,528,753.19
Difference - 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.				
Prior year				119,942.27
Current year				(84,406.18)
<b>Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds</b>	<b>(B-2)</b>	<b><u>\$ 118,332,491.63</u></b>	<b>(B-2)</b>	<b><u>\$ 2,564,289.28</u></b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART III**

**SCHEDULES RELATED TO ACCOUNTING AND  
REPORTING FOR PENSIONS (68)  
SECTION – L**

**(Section numbering as per N.J. Department of Education 2014-2015 Audit Program)**

Westfield School District  
Schedule of the District's Proportionate Share of the Net Pension Liability  
Public Employee's Retirement System  
Required Supplementary Information  
Last Ten Fiscal Years

	2020	2019	2018	Year Ended June 30, 2017	2016	2015	2014
District's proportion of the net pension liability (asset) - Local Group	0.1245189916%	0.122689485%	0.120931697%	0.131258639%	0.129135621%	0.124742721%	0.117876054%
District's proportionate share of the net pension liability (asset)	\$ 22,436,433	\$24,156,948	\$28,150,966	\$38,875,044	\$28,988,359	\$23,355,249	\$22,528,456
District's covered-employee payroll	\$ 9,098,895	\$ 8,668,982	\$ 8,486,779	\$ 8,296,182	\$ 8,812,161	\$ 8,635,918	\$ 8,635,918
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	246.58%	278.66%	331.70%	468.59%	328.96%	270.44%	260.87%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	44.09%	53.60%	48.10%	40.14%	47.93%	48.62%	48.72%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Note to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

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

Westfield School District  
Schedule of District Contributions  
Public Employee's Retirement System  
Required Supplementary Information  
Last Ten Fiscal Years

	Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,211,203	\$ 1,269,432	\$ 1,120,303	\$ 1,166,083	\$ 1,110,220	\$ 1,028,361	\$ 888,172
Contributions in relation to the contractually required contribution	(1,211,203)	(1,269,432)	(1,120,303)	(1,166,083)	(1,110,220)	(1,028,361)	(888,172)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 9,220,819	\$9,098,895	\$8,668,982	\$8,486,779	\$8,296,182	\$8,812,161	\$8,635,918
Contributions as a percentage of covered-employee payroll	13.14%	13.95%	12.92%	13.74%	13.38%	11.67%	10.28%

The amounts presented for each fiscal year were determined as of the previous fiscal year-end. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Westfield School District  
 Schedule of the State's Proportionate Share of the Net Pension Liability Associated With the District  
 Teachers' Pension and Annuity Fund  
 Required Supplementary Information  
 Last Ten Fiscal Years\*

	Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
State's proportionate share of the net pension liability (asset) associated with the District - Local Group	0.457250754%	0.4465238057%	0.4503615479%	0.4490997116%	0.4569592579%	0.4503467692%	0.4289118351%
District's proportionate share of the net pension liability (asset)							
State's proportionate share of the net pension liability (asset) associated with the District	\$ 280,619,104	\$ 284,068,854	\$ 303,649,995	\$ 353,290,428	\$ 323,678,183	\$ 240,695,691	\$ 216,768,668
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 280,619,104</u>	<u>\$ 284,068,854</u>	<u>\$ 303,649,995</u>	<u>\$ 353,290,428</u>	<u>\$ 323,678,183</u>	<u>\$ 240,695,691</u>	<u>\$ 216,768,668</u>
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

Covered payroll information is not presented since the Teachers' Pension and Annuity Fund is a special funding situation in which the District does not make contributions to this plan.

Notes to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.86% as of June 30, 2018 to 5.60% as of June 30, 2019.

**SCHEDULES RELATED TO ACCOUNTING AND  
REPORTING FOR OPEB (GASB 75)  
SECTION – M**

**(Section numbering as per N.J. Department of Education 2017-2018 Audit Program)**



Westfield School District  
 Schedule of the State's Proportionate Share of the OPEB Liability Associated With the District  
 State Health Benefit Local Education Retired Employees Plan

Last Ten Fiscal Years\*

	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018
State's proportion of the OPEB Liability associated with the District -	0.38%	0.38%	0.38%
District's proportionate share of the OPEB liability	\$ -	\$ -	\$ -
State's proportionate share of the OPEB liability associated with the District	\$ 160,191,054	\$ 177,158,722	\$ 202,388,345
Total proportionate share of the OPEB liability associated with the District	<u>\$ 160,191,054</u>	<u>\$ 177,158,722</u>	<u>\$ 202,388,345</u>
Beginning Balance	\$ 177,158,722	\$ 202,388,345	\$ 218,359,164
Increased by:			
Service cost	6,698,508	7,420,085	8,971,309
Interest cost	7,023,820	7,429,997	6,415,030
Changes of assumptions	2,388,462		
Member Contributions	145,765	163,724	172,614
	<u>16,256,555</u>	<u>15,013,806</u>	<u>15,558,953</u>
Decreased by:			
Differences between expected and actual experiences	28,306,835	13,510,763	
Changes of assumptions		14,931,688	20,138,043
Gross benefit payments	4,917,388	3,479,308	3,501,960
	<u>33,224,223</u>	<u>31,921,759</u>	<u>23,640,003</u>
Ending Balance	<u>\$ 160,191,054</u>	<u>\$ 185,480,392</u>	<u>\$ 210,278,114</u>
Covered by employee payroll	\$ 59,148,038	\$ 58,203,496	\$ 53,013,600
Total OPEB liability as a percentage of covered employee payroll.	270.83%	318.68%	396.65%

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

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

Notes to Required Supplementary Information

Benefit Changes

There were none.

Changes of Assumptions

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

**OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES**  
**SECTION – D**

**SPECIAL REVENUE FUND**

**SECTION – E**

**WESTFIELD SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit - E-1  
Page 1 of 1

	TOTAL BROUGHT FORWARD (EX. E-1a)	TOTAL BROUGHT FORWARD (EX. E-1b)	TITLE I PART A REGULAR 2019-20	TITLE IIA PART A 2019-20	TITLE III 2019-20	I.D.E.A. PART B BASIC 2019-20	I.D.E.A. PRESCHOOL 2019-20	TITLE IV 2019-20	TOTALS 2019-2020
<b>REVENUES</b>									
State Sources	\$ 196,638.85								\$ 196,638.85
Federal Sources			119,674.82	72,443.35	18,459.18	1,393,157.08	108,447.40	3,133.25	1,715,315.08
Local Sources		616,799.26							616,799.26
<b>Total Revenues</b>	<b>196,638.85</b>	<b>616,799.26</b>	<b>119,674.82</b>	<b>72,443.35</b>	<b>18,459.18</b>	<b>1,393,157.08</b>	<b>108,447.40</b>	<b>3,133.25</b>	<b>2,528,753.19</b>
<b>EXPENDITURES</b>									
Instruction:									
Salaries of Teachers	58,144.90	-	83,740.92		2,480.00				144,365.82
Other Salaries for Instruc.		800.00	4,990.00					2,500.00	8,290.00
Tuition		-				1,217,298.15	108,447.40		1,325,745.55
Purchased Prof. - Educational Services		3,580.00							3,580.00
General Supplies		47,789.67			10,898.31				58,687.98
Textbooks	15,186.26	-							15,186.26
Misc. Expenditures		6,094.00							6,094.00
<b>Total Instruction</b>	<b>73,331.16</b>	<b>58,263.67</b>	<b>88,730.92</b>	<b>-</b>	<b>13,378.31</b>	<b>1,217,298.15</b>	<b>108,447.40</b>	<b>2,500.00</b>	<b>1,561,949.61</b>
Support Services:									
Salaries of Other Prof. Staff	40,329.27			66,998.00					107,327.27
Salaries of Secr & Cler Assts						13,690.06			13,690.06
Other Salaries						140,000.00			140,000.00
Personal Services - Empl. Benefits			30,943.90	5,043.00	189.72	8,221.87		191.25	44,589.74
Tuition Reimbursements		665.00							665.00
Purch. Prof. - Educ. Services	12,433.24			402.35		13,947.00			26,782.59
Other Purch. Prof. Services	30,911.75								30,911.75
Contract Serv. - Trans. (Other Than Home & School)		562.50			687.50				1,250.00
Contracted Serv. - Trans. (Sp. Ed.)	9,929.00								9,929.00
Travel					2,660.88				2,660.88
Communications/Telephone	850.00								850.00
Supplies and Materials	12,695.36	2,852.06			1,542.77			442.00	17,532.19
<b>Total Support Services</b>	<b>107,148.62</b>	<b>4,079.56</b>	<b>30,943.90</b>	<b>72,443.35</b>	<b>5,080.87</b>	<b>175,858.93</b>	<b>-</b>	<b>633.25</b>	<b>396,188.48</b>
Facilities Acquis. & Const. Serv.:									
Buildings		343,355.08							343,355.08
Instructional Equipment		183,802.20							183,802.20
Non-instructional Equipment	16,159.07	27,298.75							43,457.82
<b>Total Facil. Acquis. &amp; Const. Serv.</b>	<b>16,159.07</b>	<b>554,456.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>570,615.10</b>
<b>Total Expenditures</b>	<b>\$ 196,638.85</b>	<b>\$ 616,799.26</b>	<b>\$ 119,674.82</b>	<b>\$ 72,443.35</b>	<b>\$ 18,459.18</b>	<b>\$ 1,393,157.08</b>	<b>\$ 108,447.40</b>	<b>\$ 3,133.25</b>	<b>\$ 2,528,753.19</b>

**WESTFIELD SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit - E-1a  
Page 1 of 1

	NONPUBLIC TEXTBOOKS	NONPUBLIC NURSING	NONPUBLIC TECHNOLOGY	NONPUBLIC SECURITY	N.J. NONPUBLIC AUXILIARY SERV., CH.192			N.J. NONPUBLIC HANDICAPPED SERV., CH. 193				TOTAL CARRIED FORWARD
					TRANS- PORTATION	COMP. EDUCATION	HOME INSTR.	INT. EXAM. AND CLASS	SUPPL. INST.	EXAM. AND CLASS.	CORR. SPEECH	
<b>REVENUES</b>												
State Sources	\$ 15,186.26	\$ 30,911.75	\$ 11,433.24	\$ 30,704.43	\$ 9,929.00	\$ 39,343.20	\$ 507.00	\$ 14,296.15	\$ 18,294.70	\$ 7,076.00	\$ 18,957.12	\$ 196,638.85
Federal Sources												-
Local Sources												-
<b>Total Revenues</b>	<b>15,186.26</b>	<b>30,911.75</b>	<b>11,433.24</b>	<b>30,704.43</b>	<b>9,929.00</b>	<b>39,343.20</b>	<b>507.00</b>	<b>14,296.15</b>	<b>18,294.70</b>	<b>7,076.00</b>	<b>18,957.12</b>	<b>196,638.85</b>
<b>EXPENDITURES</b>												
Instruction:												
Salaries of Teachers						39,343.20	507.00		18,294.70			58,144.90
Textbooks	15,186.26											15,186.26
Total Instruction	15,186.26	-	-	-	-	39,343.20	507.00	-	18,294.70	-	-	73,331.16
Support Services:												
Salaries of Other Prof. Staff								14,296.15		7,076.00	18,957.12	40,329.27
Purch. Prof./Educational Serv.			11,433.24	1,000.00								12,433.24
Other Purch. Prof. Services		30,911.75										30,911.75
Contracted Serv. - Trans. (Sp. Ed.)					9,929.00							9,929.00
Cleaning, Repairs & Maint.												-
Communications/Telephone				850.00								850.00
Supplies and Materials				12,695.36								12,695.36
Total Support Services	-	30,911.75	11,433.24	14,545.36	9,929.00	-	-	14,296.15	-	7,076.00	18,957.12	107,148.62
Facilities Acquis. & Const. Serv.:												
Non-instructional Equipment				16,159.07								16,159.07
Total Facil. Acquis. & Const. Serv.	-	-	-	16,159.07	-	-	-	-	-	-	-	16,159.07
<b>Total Expenditures</b>	<b>15,186.26</b>	<b>30,911.75</b>	<b>11,433.24</b>	<b>30,704.43</b>	<b>9,929.00</b>	<b>39,343.20</b>	<b>507.00</b>	<b>14,296.15</b>	<b>18,294.70</b>	<b>7,076.00</b>	<b>18,957.12</b>	<b>196,638.85</b>

**WESTFIELD SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Exhibit - E-1b  
Page 1 of 1

	<u>OTHER GRANTS</u>	<u>SCHOOL PTO GRANTS</u>	<u>WESTFIELD ED. FUND</u>	<u>WESTFIELD ARTS FOUND.</u>	<u>NJSBAIG</u>	<u>CARRIED FORWARD</u>
<b><u>REVENUES</u></b>						
State Sources	\$	\$	\$	\$	\$	\$ -
Federal Sources						-
Local Sources	469,051.61	55,319.60	37,421.28	10,157.50	44,849.27	616,799.26
<b>Total Revenues</b>	<b>469,051.61</b>	<b>55,319.60</b>	<b>37,421.28</b>	<b>10,157.50</b>	<b>44,849.27</b>	<b>616,799.26</b>
<b><u>EXPENDITURES</u></b>						
Instruction:						
Other Salaries for Instruc.	-	100.00		700.00		800.00
Purchased Prof. - Educational Services				3,580.00		3,580.00
General Supplies	14,273.43	19,478.51	6,695.54		7,342.19	47,789.67
Misc. Expenditures	1,444.00			4,650.00		6,094.00
<b>Total Instruction</b>	<b>15,717.43</b>	<b>19,578.51</b>	<b>6,695.54</b>	<b>8,930.00</b>	<b>7,342.19</b>	<b>58,263.67</b>
Support Services:						
Tuition Reimbursements				665.00		665.00
Contract Serv. - Trans. (Other Than Home & School)				562.50		562.50
Supplies and Materials		2,461.17	390.89			2,852.06
<b>Total Support Services</b>	<b>-</b>	<b>2,461.17</b>	<b>390.89</b>	<b>1,227.50</b>	<b>-</b>	<b>4,079.56</b>
Facilities Acquis. & Const. Serv.:						
Construction Services	305,848.00				37,507.08	343,355.08
Instructional Equipment	147,486.18	15,981.17	20,334.85			183,802.20
Non-instructional Equipment		17,298.75	10,000.00			27,298.75
<b>Total Facil. Acquis. &amp; Const. Serv.</b>	<b>453,334.18</b>	<b>33,279.92</b>	<b>30,334.85</b>	<b>-</b>	<b>37,507.08</b>	<b>554,456.03</b>
<b>Total Expenditures</b>	<b>\$ 469,051.61</b>	<b>\$ 55,319.60</b>	<b>\$ 37,421.28</b>	<b>\$ 10,157.50</b>	<b>\$ 44,849.27</b>	<b>\$ 616,799.26</b>

**CAPITAL PROJECTS FUND**

**SECTION – F**



**WESTFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2020**

<u>ISSUE/PROJECT TITLE</u>	<u>REVISED APPROPRIATION</u>	<u>EXPENDITURES TO DATE</u>		<u>UNEXPENDED BALANCE</u>
		<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	
Replacement Fire Alarms, Emergency Comm. Equipment/Public Address Systems, Switches and WI-FI Upgrades, Gym/Multi-Purpose Room Floors, 8 Boilers, Retractable Gym Door, and Handicapped Accessibility.	\$ 8,449,362.11	\$ 8,193,082.64	\$ 189,926.00	\$ 66,353.47
Replacement Seats, Handicapped Accessible Seats, Sound System, Acoustical Treatments, Accessible Stage Access, Lighting Upgrades Flooring, and Air Conditioning.	4,150,637.89	4,141,129.30		9,508.59
Kehler Field, High School and Elementary School Renovations	<u>11,687,985.24</u>	<u>3,599,752.17</u>	<u>6,986,551.03</u>	<u>1,101,682.04</u>
<b>Total</b>	<b><u>\$ 24,287,985.24</u></b>	<b><u>\$ 15,933,964.11</u></b>	<b><u>\$ 7,176,477.03</u></b>	<b><u>\$ 1,177,544.10</u></b>

**WESTFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGE IN FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2020**

Revenues and Other Financing Sources	
Transfer from Capital Reserve	\$ <u>685,825.09</u>
Total revenues	<u>685,825.09</u>
Expenditures and Other Financing Uses	
Purchased Professional and Technical Services	175,411.36
Construction Services	<u>7,001,065.67</u>
Total expenditures	<u>7,176,477.03</u>
Excess (deficiency) of revenues over (under) expenditures	(6,490,651.94)
Fund balance - beginning	<u>7,668,196.04</u>
<b>Fund balance - ending</b>	<b>\$ <u><u>1,177,544.10</u></u></b>
<u>Analysis of Fund Balance - June 30, 2020:</u>	
Restricted for Capital Projects	\$ <u>1,177,544.10</u>
<b>Fund balance (GAAP Basis) - June 30,2020</b>	<b>\$ <u><u>1,177,544.10</u></u></b>

**WESTFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
2016 REFERENDUM QUESTION NO. 1 - IMPROVEMENTS TO VARIOUS SCHOOLS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond proceeds and transfers	8,449,362.11		8,449,362.11	8,449,362.11
Total revenues	<u>8,449,362.11</u>	<u>-</u>	<u>8,449,362.11</u>	<u>8,449,362.11</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	492,678.46		492,678.46	567,916.11
Construction services	7,700,404.18	189,926.00	7,890,330.18	7,881,446.00
Total expenditures	<u>8,193,082.64</u>	<u>189,926.00</u>	<u>8,383,008.64</u>	<u>8,449,362.11</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b><u>\$ 256,279.47</u></b>	<b><u>\$ (189,926.00)</u></b>	<b><u>\$ 66,353.47</u></b>	<b><u>\$ -</u></b>

## Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	01/01/16
Bonds Authorized	\$8,600,000.00
Bonds Issued	\$8,600,000.00
Original Authorized Cost	\$8,600,000.00
Transfers Out	-\$150,637.89
Revised Authorized Cost	\$8,449,362.11

Percentage Increase over Original Authorized Cost	-1.75%
Percentage completion	99%
Original target completion date	2016
Revised target completions date	2020

**WESTFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
2016 REFERENDUM QUESTION NO. 2 - IMPROVEMENTS TO VARIOUS SCHOOLS  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$	\$	\$	\$
Bond proceeds and transfers	4,150,637.89		4,150,637.89	4,150,637.89
Total revenues	<u>4,150,637.89</u>	<u>-</u>	<u>4,150,637.89</u>	<u>4,150,637.89</u>
Expenditures and Other Financing Uses				
Purchased professional and technical services	328,729.99		328,729.99	328,729.99
Construction services	3,812,399.31		3,812,399.31	3,821,907.90
Total expenditures	<u>4,141,129.30</u>	<u>-</u>	<u>4,141,129.30</u>	<u>4,150,637.89</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b><u>\$ 9,508.59</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 9,508.59</u></b>	<b><u>\$ -</u></b>

## Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	01/01/16
Bonds Authorized	\$4,000,000
Bonds Issued	\$4,000,000
Original Authorized Cost	\$4,000,000
Transfers In	\$150,638
Revised Authorized Cost	\$4,150,638

Percentage Increase over Original Authorized Cost	3.77%
Percentage completion	100%
Original target completion date	2016
Revised target completions date	2019

**WESTFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,  
AND PROJECT STATUS - BUDGETARY BASIS  
KEHLER FIELD, HIGH SCHOOL AND ELEMENTARY SCHOOL UPGRADES  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Other Projects	\$ 76,621.38	\$	\$ 76,621.38	\$ 76,621.38
Transfer from Capital Reserve	10,925,538.77	685,825.09	11,611,363.86	10,925,538.77
Total revenues	11,002,160.15	685,825.09	11,687,985.24	11,002,160.15
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	573,929.37	175,411.36	749,340.73	670,834.37
Construction services	3,025,822.80	6,811,139.67	9,836,962.47	10,331,325.78
Total expenditures	3,599,752.17	6,986,551.03	10,586,303.20	11,002,160.15
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ 7,402,407.98</b>	<b>\$ (6,300,725.94)</b>	<b>\$ 1,101,682.04</b>	<b>\$ -</b>

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	\$3,770,972
Additional Authorized Cost	\$7,917,013
Revised Authorized Cost	\$11,687,985

Percentage Increase over Original	
Authorized Cost	209.95%
Percentage completion	96%
Original target completion date	2018
Revised target completions date	2021

**PROPRIETARY FUNDS**

**SECTION – G**

**ENTERPRISE FUND**

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
ENTERPRISE FUND  
AS OF JUNE 30, 2020**

<b><u>ASSETS</u></b>	<b><u>FOOD SERVICE</u></b>	<b><u>WRAP PROGRAM</u></b>	<b><u>TOTALS</u></b>
Current Assets:			
Cash and Cash Equivalents	\$ 1,207,463.65	\$ 330,777.20	\$ 1,538,240.85
Accounts Receivable:			
Other	2,147.17		2,147.17
Inventory	<u>19,951.44</u>		<u>19,951.44</u>
Total Current Assets	<u>1,229,562.26</u>	<u>330,777.20</u>	<u>1,560,339.46</u>
Noncurrent Assets:			
Capital Assets:			
Equipment	835,921.80		835,921.80
Accumulated Depreciation	<u>(484,049.20)</u>		<u>(484,049.20)</u>
Total Noncurrent Assets	<u>351,872.60</u>		<u>351,872.60</u>
<b>Total Assets</b>	<b><u>\$ 1,581,434.86</u></b>	<b><u>\$ 330,777.20</u></b>	<b><u>\$ 1,912,212.06</u></b>
<b><u>LIABILITIES AND NET POSITION</u></b>			
Current Liabilities:			
Accounts Payable	\$ 17,968.30	\$ 376.23	\$ 18,344.53
Deferred Revenue	<u>89,394.87</u>	<u>57,284.20</u>	<u>146,679.07</u>
Total Current Liabilities	<u>107,363.17</u>	<u>57,660.43</u>	<u>165,023.60</u>
Net Position:			
Invested in Capital Assets	351,872.60		351,872.60
Unrestricted (Deficit)	<u>1,122,199.09</u>	<u>273,116.77</u>	<u>1,395,315.86</u>
Total Net Position	<u>1,474,071.69</u>	<u>273,116.77</u>	<u>1,747,188.46</u>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 1,581,434.86</u></b>	<b><u>\$ 330,777.20</u></b>	<b><u>\$ 1,912,212.06</u></b>



**WESTFIELD SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**ENTERPRISE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>FOOD SERVICE</u>	<u>WRAP PROGRAM</u>	<u>TOTAL</u>
<b><u>OPERATING REVENUES</u></b>			
Local Sources:			
Daily Sales - Non-Reimbursable Programs	\$ 1,059,003.79	\$	\$ 1,059,003.79
Program Fees		459,900.00	459,900.00
Total Operating Revenues	<u>1,059,003.79</u>	<u>459,900.00</u>	<u>1,518,903.79</u>
<b><u>OPERATING EXPENSES</u></b>			
Cost of Sales	358,757.74		358,757.74
Direct Labor	190,971.91	327,334.17	518,306.08
Administrative Labor	254,275.31	73,742.65	328,017.96
Supplies	11,931.62	3,579.69	15,511.31
Office and Administrative	34,571.65		34,571.65
Outside Services	8,223.63		8,223.63
Utilities			-
Management Fees	69,604.90		69,604.90
Depreciation	25,581.48		25,581.48
Total Operating Expenses	<u>953,918.24</u>	<u>404,656.51</u>	<u>1,358,574.75</u>
<b>Operating Income (Loss)</b>	<b><u>105,085.55</u></b>	<b><u>55,243.49</u></b>	<b><u>160,329.04</u></b>
Non-Operating Revenues (Expenses):			
Federal Sources:			
U.S.D.A. Commodities	5,434.68		5,434.68
Interest on Deposits	23,780.13		23,780.13
<b>Total Non-Operating Revenues</b>	<b><u>29,214.81</u></b>	<b><u>-</u></b>	<b><u>29,214.81</u></b>
<b>Change in Net Position</b>	<b><u>134,300.36</u></b>	<b><u>55,243.49</u></b>	<b><u>189,543.85</u></b>
Total Net Position Beginning	<u>1,339,771.33</u>	<u>217,873.28</u>	<u>1,557,644.61</u>
<b>Total Net Position Ending</b>	<b><u>\$ 1,474,071.69</u></b>	<b><u>\$ 273,116.77</u></b>	<b><u>\$ 1,747,188.46</u></b>

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>FOOD SERVICE</u>	<u>WRAP PROGRAM</u>	<u>TOTAL</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 1,095,020.85	\$ 448,684.20	\$ 1,543,705.05
Payments for Employee Services		(401,076.82)	(401,076.82)
Payments to Suppliers	(992,166.05)	(3,203.46)	(995,369.51)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>102,854.80</b>	<b>44,403.92</b>	<b>147,258.72</b>
Cash Flows from Non-Capital Financing Activities			
State Sources	170.03		170.03
Federal Sources	2,991.94		2,991.94
<b>Net Cash Provided by (Used for) Non-Capital Financing Activities</b>	<b>3,161.97</b>	<b>-</b>	<b>3,161.97</b>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(61,429.80)		(61,429.80)
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<b>(61,429.80)</b>	<b>-</b>	<b>(61,429.80)</b>
Cash Flows from Investing Activities			
Interest on Deposits	23,780.13		23,780.13
<b>Net Cash Provided by (Used for) Investing Activities</b>	<b>23,780.13</b>	<b>-</b>	<b>23,780.13</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>68,367.10</b>	<b>44,403.92</b>	<b>174,200.82</b>
Cash and Cash Equivalents, July 1	1,139,096.55	286,373.28	1,425,469.83
<b>Cash and Cash Equivalents, June 30</b>	<b>\$ 1,207,463.65</b>	<b>\$ 330,777.20</b>	<b>\$ 1,538,240.85</b>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 105,085.55	\$ 55,243.49	\$ 160,329.04
Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:			
Depreciation	25,581.48		25,581.48
Federal Commodities	5,434.68		5,434.68
(Increase) Decrease in Accounts Receivable	(516.78)		(516.78)
(Increase) Decrease in Inventory	(4,784.52)		(4,784.52)
Increase (Decrease) in Deferred Revenue	36,533.84	(11,215.80)	25,318.04
Increase (Decrease) in Accounts Payable	(64,479.45)	376.23	(64,103.22)
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 102,854.80</b>	<b>\$ 44,403.92</b>	<b>\$ 147,258.72</b>

**INTERNAL SERVICE FUND**

**FIDUCIARY FUNDS**

**SECTION – H**

**WESTFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

	<b>EXPENDABLE TRUST FUNDS</b>		<b>AGENCY</b>		<b>TOTALS</b>
	<b>UNEMPLOYMENT COMPENSATION</b>	<b>FLEXIBLE SPENDING</b>	<b>STUDENT ACTIVITY</b>	<b>PAYROLL</b>	<b>2020</b>
 <b><u>ASSETS</u></b>					
Cash and Cash Equivalents	\$ 412,140.91	\$ 60,617.47	\$ 613,403.51	\$ 10,296.90	\$ 1,096,458.79
Assets Held by Plan Service Provider		74,828.01			74,828.01
Accounts Receivable	51,742.84				51,742.84
<b>Total Assets</b>	<b>\$ 463,883.75</b>	<b>\$ 135,445.48</b>	<b>\$ 613,403.51</b>	<b>\$ 10,296.90</b>	<b>\$ 1,223,029.64</b>
 <b><u>LIABILITIES</u></b>					
Liabilities:					
Payroll Deductions and Withholdings	\$	\$	\$	\$ 10,296.90	\$ 10,296.90
Accounts Payable	94,933.66	39,060.95			133,994.61
Due to Student Groups			613,403.51		613,403.51
<b>Total Liabilities</b>	<b>94,933.66</b>	<b>39,060.95</b>	<b>613,403.51</b>	<b>10,296.90</b>	<b>757,695.02</b>
 <b>NET POSITION</b>					
Net Position Restricted for:					
Unemployment Insurance Claims	368,950.09				368,950.09
Eligible Employee Benefits		96,384.53			96,384.53
Total Net Position	368,950.09	96,384.53			465,334.62
<b>Total Liabilities and Net Position</b>	<b>\$ 463,883.75</b>	<b>\$ 135,445.48</b>	<b>\$ 613,403.51</b>	<b>\$ 10,296.90</b>	<b>\$ 1,223,029.64</b>

**WESTFIELD SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Expendable Trust Funds</b>		<b>Totals</b>
	<b>Unemployment Compensation Insurance Trust</b>	<b>Employee Benefit Flexible Spending Trust Fund</b>	
<b>ADDITIONS</b>			
Contributions:			
Dedicated Payroll Withholdings	\$ 116,606.27	\$ 277,062.32	\$ 393,668.59
Board Contribution	30,000.00		30,000.00
CARES ACT federal contribution	51,742.84		51,742.84
	<hr/>	<hr/>	<hr/>
Total Contributions	198,349.11	277,062.32	475,411.43
Investment Earnings:			
Interest On Deposits	5,760.63		5,760.63
	<hr/>	<hr/>	<hr/>
Net Investment Earnings	5,760.63		5,760.63
	<hr/>	<hr/>	<hr/>
Total Additions	204,109.74	277,062.32	481,172.06
	<hr/>	<hr/>	<hr/>
<b>DEDUCTIONS</b>			
Unemployments Insurance Claims	148,581.10		148,581.10
Eligible Benefits		272,326.50	272,326.50
	<hr/>	<hr/>	<hr/>
Total Deductions	148,581.10	272,326.50	420,907.60
	<hr/>	<hr/>	<hr/>
Change in Net Position	55,528.64	4,735.82	60,264.46
	<hr/>	<hr/>	<hr/>
Net Position - Beginning of the Year	313,421.45	91,648.71	405,070.16
	<hr/>	<hr/>	<hr/>
<b>Net Position - End of the year</b>	<b>\$ 368,950.09</b>	<b>\$ 96,384.53</b>	<b>\$ 465,334.62</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**WESTFIELD SCHOOL DISTRICT**  
**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**  
**STUDENT ACTIVITY AGENCY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BALANCE JUNE 30, 2019	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2020
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>ELEMENTARY SCHOOLS</u>				
Franklin	\$ 1,586.06	\$ 14,680.82	12,479.04	\$ 3,787.84
Jefferson	5,350.87	14,592.98	16,255.19	3,688.66
Lincoln	2,134.72	872.07	760.00	2,246.79
McKinley	6,726.50	10,865.43	8,635.95	8,955.98
Tamaques	9,494.38	20,850.34	16,706.54	13,638.18
Washington	7,069.58	22,599.91	18,959.94	10,709.55
Wilson	15,959.50	14,112.00	15,308.12	14,763.38
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Elementary Schools</b>	<b>\$ 48,321.61</b>	<b>\$ 98,573.55</b>	<b>\$ 89,104.78</b>	<b>\$ 57,790.38</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>INTERMEDIATE SCHOOLS</u>				
Edison	\$ 86,280.41	\$ 78,703.02	63,398.11	\$ 101,585.32
Roosevelt	126,228.24	100,033.29	112,823.55	113,437.98
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Intermediate Schools</b>	<b>\$ 212,508.65</b>	<b>\$ 178,736.31</b>	<b>\$ 176,221.66</b>	<b>\$ 215,023.30</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>SENIOR HIGH SCHOOLS</u>				
Westfield H.S.	\$ 316,371.02	\$ 312,992.69	310,874.90	\$ 318,488.81
Westfield H.S Music Account	12,619.79	156,371.37	154,794.94	14,196.22
Athletic Fund	110.87	159,589.98	151,796.05	7,904.80
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Senior High Schools</b>	<b>\$ 329,101.68</b>	<b>\$ 628,954.04</b>	<b>\$ 617,465.89</b>	<b>\$ 340,589.83</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total All Schools</b>	<b>\$ 589,931.94</b>	<b>\$ 906,263.90</b>	<b>\$ 882,792.33</b>	<b>\$ 613,403.51</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**WESTFIELD SCHOOL DISTRICT  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PAYROLL AGENCY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>BALANCE JUNE 30, 2019</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE JUNE 30, 2020</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 502,796.69	\$ 72,714,239.75	\$ 73,206,739.54	\$ 10,296.90
<b>Total Assets</b>	<b>\$ 502,796.69</b>	<b>\$ 72,714,239.75</b>	<b>\$ 73,206,739.54</b>	<b>\$ 10,296.90</b>
<u>LIABILITIES</u>				
Net Payrolls	\$	\$ 39,606,145.28	\$ 39,606,145.28	\$ -
Interfund Loans		18,795.56	18,795.56	-
Payroll Deductions and Withholdings	<u>502,796.69</u>	<u>33,089,298.91</u>	<u>33,581,798.70</u>	<u>10,296.90</u>
<b>Total Liabilities</b>	<b>\$ 502,796.69</b>	<b>\$ 72,714,239.75</b>	<b>\$ 73,206,739.54</b>	<b>\$ 10,296.90</b>



**LONG-TERM DEBT**

**SECTION – I**

WESTFIELD SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2019	RETIRED	BALANCE JUNE 30, 2020
			DATE	AMOUNT				
School Bonds	8/1/2013	\$ 6,916,000	8/1/2020	\$ 460,000	2.000%			
			8/1/2021	460,000	2.375%			
			8/1/2022	460,000	2.500%			
			8/1/2023	460,000	3.000%			
			8/1/2024	460,000	3.000%			
			8/1/2025	460,000	3.000%			
			8/1/2026	460,000	3.000%			
			8/1/2027	460,000	3.000%			
			8/1/2028	460,000	3.000%			
School Bonds	7/10/2014	3,200,000	8/1/2020	350,000	2.000%			
			8/1/2021	350,000	2.000%			
			8/1/2022	350,000	2.000%			
			8/1/2023	350,000	2.250%			
			8/1/2024	350,000	2.375%			
Refunding School Bonds, Series 2015 A	3/24/2015	5,700,000	10/1/2020	400,000	1.625%			
			10/1/2021	470,000	4.000%			
			10/1/2022	590,000	4.000%			
			10/1/2023	615,000	4.000%			
			10/1/2024	640,000	4.000%			
			10/1/2025	640,000	4.000%			
			10/1/2026	640,000	4.000%			
			10/1/2027	630,000	2.400%			

WESTFIELD SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS  
JUNE 30, 2020

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JUNE 30, 2019	RETIRED	BALANCE JUNE 30, 2020
			DATE	AMOUNT				
School Bonds, Series 2015 B	3/24/2015	\$ 261,000	10/1/2020	\$ 56,000	3.000%	\$ 111,000.00	\$ 55,000.00	\$ 56,000.00
Refunding School Bonds, Series 2016 A	7/13/2016	6,675,000	8/1/2020	900,000	1.500%	3,380,000.00	1,610,000.00	1,770,000.00
			8/1/2021	870,000	1.500%			
School Bonds, Series 2016 B	7/13/2016	12,600,000	8/1/2020	950,000	2.000%			
			8/1/2021	950,000	2.000%			
			8/1/2022	950,000	2.000%			
			8/1/2023	950,000	2.000%			
			8/1/2024	950,000	2.000%			
			8/1/2025	950,000	2.000%			
			8/1/2026	950,000	2.000%			
			8/1/2027	900,000	2.000%			
			8/1/2028	900,000	2.000%			
			8/1/2029	900,000	2.000%			
			8/1/2030	900,000	2.000%			
			8/1/2031	850,000	2.500%	11,600,000.00	500,000.00	11,100,000.00
<b>Total</b>						<b>\$ 26,941,000.00</b>	<b>\$ 3,500,000.00</b>	<b>\$ 23,441,000.00</b>

**WESTFIELD SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
LONG-TERM DEBT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 3,329,393.00		\$ 3,329,393.00	\$ 3,329,393.00	\$ -
Total Local Sources:	3,329,393.00	-	3,329,393.00	3,329,393.00	-
State Aid - Debt Service	779,119.00		779,119.00	779,119.00	-
Total Revenues	4,108,512.00	-	4,108,512.00	4,108,512.00	-
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Redemption of Bond Principal	3,500,000.00		3,500,000.00	3,500,000.00	-
Bond Interest	608,512.50		608,512.50	608,512.50	-
Total Regular Debt Service	4,108,512.50	-	4,108,512.50	4,108,512.50	-
Total expenditures	4,108,512.50	-	4,108,512.50	4,108,512.50	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(0.50)	-	(0.50)	(0.50)	-
Fund Balance, July 1	123,735.21		123,735.21	123,735.21	
<b>Fund Balance, June 30</b>	<b>\$ 123,734.71</b>	<b>\$ -</b>	<b>\$ 123,734.71</b>	<b>\$ 123,734.71</b>	<b>\$ -</b>

**STATISTICAL SECTION**  
**SECTION – J**

## **FINANCIAL TRENDS**

**WESTFIELD BOARD OF EDUCATION  
NET ASSETS/POSITION BY COMPONENTS  
LAST TEN FISCAL YEARS  
Unaudited**

**Exhibit J-1**

	<u>Fiscal Year Ending June 30,</u>									
	<u>2011</u>	<u>Restated 2012</u>	<u>Restated 2013</u>	<u>GASB #68 Restated 2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 22,470,195	\$ 6,299,851	\$ 10,724,623	\$ 11,658,528	\$ 14,113,937	\$ 17,621,502	\$ 11,130,655	\$ 20,065,255	\$ 26,976,612	\$ 35,862,718
Restricted	5,437,164	5,859,508	3,525,144	5,732,998	5,886,394	8,428,307	22,660,315	21,908,541	21,059,726	20,019,406
Unrestricted/(deficit)	(937,855)	798,409	618,078	(22,651,303)	(23,325,495)	(24,717,778)	(28,030,698)	(27,600,573)	(26,310,130)	(25,007,199)
<b>Total governmental activities net assets</b>	<b>\$ 26,969,504</b>	<b>\$ 12,957,767</b>	<b>\$ 14,867,845</b>	<b>\$ (5,259,778)</b>	<b>\$ (3,325,164)</b>	<b>\$ 1,332,031</b>	<b>\$ 5,760,272</b>	<b>\$ 14,373,224</b>	<b>\$ 21,726,208</b>	<b>\$ 30,874,925</b>
<b>Business-type activities</b>										
Invested in capital assets	\$ 69,825	\$ 43,630	\$ 37,294	\$ 30,955	\$ 24,616	\$ 18,277	\$ 322,433	\$ 459,157	\$ 316,024	\$ 351,873
Unrestricted	123,239	77,624	114,071	181,308	414,803	593,263	591,850	867,954	1,241,620	1,395,316
<b>Total business-type activities net assets</b>	<b>\$ 193,064</b>	<b>\$ 121,254</b>	<b>\$ 151,365</b>	<b>\$ 212,263</b>	<b>\$ 439,419</b>	<b>\$ 611,540</b>	<b>\$ 914,283</b>	<b>\$ 1,327,111</b>	<b>\$ 1,557,645</b>	<b>\$ 1,747,189</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 22,540,020	\$ 6,343,481	\$ 10,761,917	\$ 11,689,483	\$ 14,138,553	\$ 17,639,779	\$ 11,453,088	\$ 20,524,413	\$ 27,292,636	\$ 36,214,591
Restricted	5,437,164	5,859,508	3,525,144	5,732,998	5,886,394	8,428,307	22,660,315	21,908,541	21,059,726	20,019,406
Unrestricted/(deficit)	(814,616)	876,033	732,149	(22,469,995)	(22,910,692)	(24,124,515)	(27,438,848)	(26,732,619)	(25,068,510)	(23,611,883)
<b>Total district net assets/position</b>	<b>\$ 27,162,568</b>	<b>\$ 13,079,021</b>	<b>\$ 15,019,210</b>	<b>\$ (5,047,515)</b>	<b>\$ (2,885,745)</b>	<b>\$ 1,943,571</b>	<b>\$ 6,674,555</b>	<b>\$ 15,700,335</b>	<b>\$ 23,283,852</b>	<b>\$ 32,622,114</b>

Source: CAFR Schedule A-1.

**Westfield Board of Education  
Changes in Net Asset/Position  
Last Ten Fiscal Years  
Unaudited**

**Exhibit J-2**

	<u>Fiscal Year Ending June 30,</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>
<b>EXPENSES</b>										
Governmental Activities										
Instruction										
Regular	\$ 28,092,789	\$ 30,085,810	\$ 33,216,431	\$ 33,171,669	\$ 32,170,882	\$ 33,945,264	\$ 34,753,267	\$ 36,122,785	\$ 37,571,944	\$ 36,944,281
Special Education	6,908,760	6,959,573	7,347,902	8,076,449	8,152,638	7,980,420	8,190,781	8,361,149	9,766,996	10,011,544
Other Special Instruction	944,665	895,340	984,132	1,024,005	2,155,957	1,081,477	1,184,559	1,140,743	1,178,793	1,301,154
Other Instruction	1,276,895	1,409,614	1,537,375	1,567,943	1,675,043	1,567,029	1,627,761	1,643,247	1,763,297	1,815,169
Support Services										
Tuition	6,403,845	6,253,142	5,997,483	5,839,281	6,686,758	6,688,650	6,570,330	6,640,145	5,139,929	5,597,633
Student & Instruction Related Services	11,641,513	12,372,419	11,303,844	11,450,450	11,684,484	12,153,419	12,458,158	13,283,367	14,151,973	14,170,552
School Administrative Services	3,232,862	3,380,507	3,354,346	3,495,703	3,575,510	3,472,539	3,613,535	3,423,415	3,420,531	3,512,032
General & Business Administrative Services	3,613,287	3,841,033	3,577,560	3,708,227	3,689,079	4,013,438	4,552,751	4,066,604	4,141,012	4,487,540
Plant Operations and Maintenance	6,081,557	5,879,272	5,762,483	5,878,848	5,954,354	5,943,911	6,029,301	5,972,184	6,152,407	6,232,723
Pupil Transportation	2,264,653	2,496,987	2,456,187	2,744,174	2,505,294	2,550,903	2,618,167	2,746,357	3,171,761	2,949,490
Unallocated Benefits	19,928,808	21,474,960	24,322,921	24,007,770	26,417,254	26,368,820	52,176,028	53,851,627	47,488,977	38,579,855
Interest on Long-Term Debt	942,306	859,740	813,870	889,586	808,442	952,171	758,829	733,389	744,088	629,941
Unallocated Depreciation & Amortization	1,526,942	1,967,528	1,316,041	1,201,462	1,255,944	1,771,245	705,067	390,741	632,123	575,603
Total Governmental Activities	<u>92,858,881</u>	<u>97,875,924</u>	<u>101,990,575</u>	<u>103,055,566</u>	<u>106,731,639</u>	<u>108,489,286</u>	<u>135,238,535</u>	<u>138,375,754</u>	<u>135,323,832</u>	<u>126,807,515</u>
Business-Type Activities:										
Food Service	1,072,591	1,090,730	1,158,886	1,242,856	1,161,518	1,189,123	1,231,331	1,307,660	1,348,600	953,918
Child Care				89,922	197,980	485,571	480,757	523,935	512,422	404,657
Total Business-Type Activities	<u>1,072,591</u>	<u>1,090,730</u>	<u>1,158,886</u>	<u>1,332,778</u>	<u>1,359,498</u>	<u>1,674,695</u>	<u>1,712,088</u>	<u>1,831,594</u>	<u>1,861,022</u>	<u>1,358,575</u>
Total Primary Government Expenses	<u>\$ 93,931,472</u>	<u>\$ 98,966,654</u>	<u>\$ 103,149,461</u>	<u>\$ 104,388,345</u>	<u>\$ 108,091,137</u>	<u>\$ 110,163,981</u>	<u>\$ 136,950,623</u>	<u>\$ 140,207,348</u>	<u>\$ 137,184,854</u>	<u>\$ 128,166,090</u>
<b>Program Revenues</b>										
Governmental Activities										
Operating Grants and Contributions	5,901,907	7,192,491	9,269,748	8,415,719	9,210,875	11,209,759	34,156,080	40,360,685	32,625,857	24,396,372
Interest on Long-Term Debt	402,020	342,105	353,654	363,541	306,218	245,926	774,814	-	-	-
Total Governmental Activities Program Revenues	<u>6,303,927</u>	<u>7,534,596</u>	<u>9,623,402</u>	<u>8,779,260</u>	<u>9,517,093</u>	<u>11,455,685</u>	<u>34,930,894</u>	<u>40,360,685</u>	<u>32,625,857</u>	<u>24,396,372</u>
Business-Type Activities										
Charges for Services										
Food Service	1,022,678	1,044,113	1,109,513	1,164,484	1,226,149	1,314,583	1,410,190	1,482,337	1,568,419	1,059,004
Child Care				138,600	278,053	430,003	494,800	640,605	526,400	459,900
Operating Grants and Contributions	86,753	87,346	79,054	89,977	80,768	99,531	104,733	107,996	89,447	5,435
Capital Grants and Contributions										
Total Business Type Activities Program Revenues	<u>1,109,432</u>	<u>1,131,458</u>	<u>1,188,567</u>	<u>1,393,061</u>	<u>1,584,970</u>	<u>1,844,117</u>	<u>2,009,723</u>	<u>2,230,938</u>	<u>2,184,266</u>	<u>1,524,338</u>
Total District Program Revenues	<u>\$ 7,413,358</u>	<u>\$ 8,666,054</u>	<u>\$ 10,811,969</u>	<u>\$ 10,172,321</u>	<u>\$ 11,102,062</u>	<u>\$ 13,299,802</u>	<u>\$ 36,940,617</u>	<u>\$ 42,591,623</u>	<u>\$ 34,810,122</u>	<u>\$ 25,920,710</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	#####	\$(90,341,328)	\$(92,367,173)	\$(94,276,307)	\$(97,214,546)	\$(97,033,601)	\$(100,307,641)	\$(98,015,069)	\$(102,697,975)	\$(102,411,144)
Business-Type Activities	36,841	40,729	29,681	60,283	225,471	169,422	297,635	399,344	323,244	165,764
Total District-Wide Net Expense	#####	<u>\$(90,300,600)</u>	<u>\$(92,337,492)</u>	<u>\$(94,216,024)</u>	<u>\$(96,989,075)</u>	<u>\$(96,864,179)</u>	<u>\$(100,010,007)</u>	<u>\$(97,615,726)</u>	<u>\$(102,374,731)</u>	<u>\$(102,245,380)</u>



**Westfield Board of Education  
Changes in Net Asset/Position  
Last Ten Fiscal Years  
Unaudited**

**Exhibit J-2  
(continued)**

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes in Net Assets/Position</b>										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	\$ 81,379,595	\$ 83,007,187	\$ 84,667,331	\$ 86,360,677	\$ 88,967,333	\$ 91,791,272	\$ 94,193,247	\$ 96,710,506	\$ 98,644,716	\$ 101,420,397
Taxes Levied for Debt Service	2,534,127	2,537,247	2,527,277	2,551,925	2,848,413	3,201,836	2,685,543	3,459,971	3,289,272	3,329,393
Unrestricted Grants and Contributions	1,805,121	3,506,246	4,194,340	4,115,308	4,180,857	4,354,644	4,886,435	3,236,885	5,240,839	4,478,011
Restricted Grants and Contributions	2,653,090	2,492,779	2,172,729	1,906,840	2,212,314	2,163,177	2,174,893	988,965	322,393	410,349
Tuition Received	99,326	159,866	135,874	138,397	210,478	162,071	77,540	67,437	101,757	37,005
Investment earnings	85,201	65,400	29,515	29,129	41,146	58,023	167,841	21,542	911,216	571,427
Miscellaneous Income	995,074	530,961	550,740	411,212	688,620	619,234	550,383	2,165,431	1,580,941	1,344,144
Cancellation of Accounts Receivable										
Cancellation of Accrued Liability										
Transfers		(9,873)	(557)	9,135				(22,716)	(40,175)	(30,866)
<b>Total Governmental Activities</b>	<b>89,551,535</b>	<b>92,289,814</b>	<b>94,277,249</b>	<b>95,522,623</b>	<b>99,149,160</b>	<b>102,350,258</b>	<b>104,735,882</b>	<b>106,628,021</b>	<b>110,050,959</b>	<b>111,559,861</b>
Business-Type Activities										
Miscellaneous Income			430	616	1,684	2,700	5,108		27,652	23,780
Transfers								13,485	(120,362)	
<b>Total Business-Type Activities</b>	<b>-</b>	<b>-</b>	<b>430</b>	<b>616</b>	<b>1,684</b>	<b>2,700</b>	<b>5,108</b>	<b>13,485</b>	<b>(92,711)</b>	<b>23,780</b>
<b>Total Primary Government</b>	<b>\$ 89,551,535</b>	<b>\$ 92,289,814</b>	<b>\$ 94,277,679</b>	<b>\$ 95,523,239</b>	<b>\$ 99,150,844</b>	<b>\$ 102,352,958</b>	<b>\$ 104,740,990</b>	<b>\$ 106,641,505</b>	<b>\$ 109,958,248</b>	<b>\$ 111,583,641</b>
<b>Change in Net Assets/Net Position</b>										
Governmental Activities	\$ 2,996,580	\$ 1,948,485	\$ 1,910,076	\$ 1,246,316	\$ 1,934,614	\$ 5,316,657	\$ 4,428,241	\$ 8,612,952	\$ 7,352,984	\$ 9,148,717
Business-Type Activities	36,841	40,729	30,111	60,898	227,155	172,122	302,742	412,828	230,533	189,544
<b>Total District</b>	<b>\$ 3,033,421</b>	<b>\$ 1,989,214</b>	<b>\$ 1,940,187</b>	<b>\$ 1,307,214</b>	<b>\$ 2,161,769</b>	<b>\$ 5,488,779</b>	<b>\$ 4,730,984</b>	<b>\$ 9,025,780</b>	<b>\$ 7,583,517</b>	<b>\$ 9,338,261</b>

Source: CAFR Schedule A-2.

**WESTFIELD BOARD OF EDUCATION  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*  
**Unaudited**

**Exhibit J-3**

	Fiscal Year Ending June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Restricted:										
Committed:	\$ 4,107,527	\$ 4,006,555	\$ 5,022,670	\$ 4,468,499	\$ 4,807,697	\$ 9,041,326	\$ 14,861,873	\$ 16,566,982	\$ 13,549,452	\$ 18,860,064
Assigned:	952,984	1,537,139	1,154,265	880,573	722,022	510,251	430,764	1,021,507	393,297	1,394,601
Unassigned:	350,088	1,106,658	587,609	308,774	3,041	163,799	105,935	357,639	1,009,492	2,133,501
Total General Fund	<u>\$ 6,221,190</u>	<u>\$ 7,508,934</u>	<u>\$ 6,764,543</u>	<u>\$ 6,316,899</u>	<u>\$ 6,187,358</u>	<u>\$ 10,205,016</u>	<u>\$ 16,108,943</u>	<u>\$ 18,507,355</u>	<u>\$ 16,650,384</u>	<u>\$ 23,397,658</u>
All Other Governmental Funds										
Restricted:										
Assigned, Reported In:										
Capital Projects Fund	331,982	272,720	(1,527,195)	658,442	353,633	(1,147,567)	7,313,383	5,192,415	7,668,196	1,177,544
Debt Service Fund	44,671	43,095	1	2	2	24,297	54,295	54,296	123,735	123,735
Total All Other Governmental Funds	<u>\$ 376,653</u>	<u>\$ 315,815</u>	<u>\$ (1,497,526)</u>	<u>\$ 383,927</u>	<u>\$ 353,634</u>	<u>\$ (1,123,270)</u>	<u>\$ 7,367,678</u>	<u>\$ 5,246,711</u>	<u>\$ 7,791,931</u>	<u>\$ 1,301,279</u>

Source: CAFR Schedule B-1.

**WESTFIELD BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*  
**Unaudited**

**Exhibit J-4**

	<u>Fiscal Year Ending June 30,</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>
<b>Revenues</b>										
Tax levy	\$ 83,913,722	\$ 85,544,434	\$ 87,194,608	\$ 88,912,602	\$ 91,815,746	\$ 94,993,108	\$ 96,878,790	\$ 100,170,477	\$ 101,933,988	\$ 104,749,790
Tuition charges	99,326	159,866	135,874	138,397	210,478	162,071	77,540	67,437	101,757	37,005
Miscellaneous	1,080,276	596,361	580,255	580,277	729,765	864,554	983,213	2,380,787	2,492,157	1,977,914
State sources	8,337,913	11,108,358	14,155,460	12,845,146	14,270,874	16,116,374	18,518,748	20,114,412	24,584,827	23,946,661
Federal sources	2,424,224	2,425,263	1,835,010	1,816,326	2,196,857	1,669,836	1,729,306	1,762,026	1,803,964	1,757,887
Total revenue	<u>95,855,461</u>	<u>99,834,282</u>	<u>103,901,208</u>	<u>104,292,747</u>	<u>109,223,720</u>	<u>113,805,944</u>	<u>118,187,597</u>	<u>124,495,139</u>	<u>130,916,693</u>	<u>132,469,258</u>
<b>Expenditures</b>										
Instruction										
Regular Instruction	28,028,953	30,076,015	33,216,431	33,171,669	32,170,882	33,945,264	33,231,684	34,218,969	35,028,570	34,465,074
Special education instruction	6,858,506	6,954,087	7,347,902	8,076,449	8,152,638	7,980,420	8,190,781	8,354,649	9,766,996	10,021,974
Other special instruction	944,665	895,340	984,132	1,024,005	2,155,957	1,081,477	1,184,559	1,133,696	1,178,793	1,301,154
Other instruction	1,276,895	1,409,614	1,537,375	1,567,943	1,675,043	1,567,029	1,627,762	1,643,247	1,763,297	1,815,169
Support Services:										
Tuition	6,403,845	6,253,142	5,997,483	5,839,281	6,686,758	6,688,650	6,570,330	6,640,145	5,139,929	5,597,633
Student & inst. related services	11,606,752	12,384,045	11,303,844	11,450,450	11,684,484	12,153,419	12,458,158	13,325,341	14,134,781	14,138,354
General administration	1,674,901	1,941,964	3,354,346	3,495,703	3,575,510	3,472,539	3,613,535	3,437,646	3,430,924	3,512,032
School administrative services	3,220,902	3,402,281	3,577,560	3,708,227	3,689,079	3,932,882	3,822,747	4,066,604	4,139,435	4,470,032
Central services	1,083,510	1,126,129								
Admin. information technology	886,613	747,492								
Plant operations and maintenance	6,108,845	5,879,522	5,762,483	5,878,848	5,954,354	5,943,911	6,029,301	5,978,362	6,150,307	6,222,552
Pupil transportation	2,264,653	2,496,987	2,456,187	2,744,174	2,505,294	2,550,903	2,618,167	2,746,357	3,171,761	2,949,490
Employee benefits	19,928,808	21,474,960	24,350,801	23,663,574	26,389,347	25,200,825	27,621,203	30,408,685	35,483,009	35,066,593
Capital outlay	378,769	674,997	3,645,813	6,248,288	5,155,835	3,324,404	6,304,593	7,986,155	6,684,991	8,513,202
Debt service:										
Principal	1,900,000	1,985,000	2,095,000	2,150,000	2,236,000	2,585,000	2,750,000	3,381,000	3,435,000	3,500,000
Interest and other charges	993,086	895,929	829,025	765,465	918,631	838,467	650,359	874,121	680,475	608,513
Total expenditures	<u>93,559,703</u>	<u>98,597,503</u>	<u>106,458,383</u>	<u>109,784,075</u>	<u>112,949,812</u>	<u>111,265,190</u>	<u>116,673,180</u>	<u>124,194,978</u>	<u>130,188,268</u>	<u>132,181,770</u>
Excess (Deficiency) of revenues over (under) expenditures	2,295,758	1,236,779	(2,557,175)	(5,491,327)	(3,726,093)	2,540,753	1,514,417	300,161	728,424	287,487
<b>Other Financing sources (uses)</b>										
Proceeds from borrowing				6,916,000	6,331,360		12,600,000			
Proceeds from refunding	4,038,132				3,474,143		6,675,000			
Premium/Discount on Bonds Issued							320,415			
Payments to escrow agent	(4,038,132)				(6,239,243)		(6,714,957)			
Transfer to Charter School								(22,716)	(40,175)	(30,866)
Transfers in			9,477	9,135	522,017	341,140	280,859	3,694,351	7,354,924	685,825
Transfers out		(9,873)	(10,034)		(522,017)	(341,140)	(280,859)	(3,694,351)	(7,354,924)	(685,825)
Total other financing sources (uses)	<u>-</u>	<u>(9,873)</u>	<u>(557)</u>	<u>6,925,135</u>	<u>3,566,260</u>	<u>-</u>	<u>12,880,458</u>	<u>(22,716)</u>	<u>(40,175)</u>	<u>(30,866)</u>
Net change in fund balances	<u>\$ 2,295,758</u>	<u>\$ 1,226,906</u>	<u>\$ (2,557,732)</u>	<u>\$ 1,433,808</u>	<u>\$ (159,833)</u>	<u>\$ 2,540,753</u>	<u>\$ 14,394,875</u>	<u>\$ 277,445</u>	<u>\$ 688,249</u>	<u>\$ 256,621</u>
Debt service as a percentage of noncapital expenditures	3.10%	2.94%	2.84%	2.82%	2.93%	3.17%	3.08%	3.66%	3.33%	3.32%
<b>Source: District records</b>										

Note: Noncapital expenditures are total expenditures less capital outlay.

**WESTFIELD BOARD OF EDUCATION  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-5**

*(modified accrual basis of accounting)*

	<u>Gate Receipts</u>	<u>Student Activities</u>	<u>Rentals</u>	<u>Interest on Deposits</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
Fiscal Year						
Ending June 30,						
2011	\$ -	\$ -	\$ -	\$ -	936,833	\$ 936,833
2012	-	-	-	-	401,122	401,122
2013	-	-	-	-	403,936	403,936
2014	16,004	153,466	-	29,129	241,742	440,341
2015	12,654	145,874	-	41,146	225,219	424,893
2016	30,876	152,063	143,262	58,023	296,034	680,257
2017	18,766	-	-	167,841	531,617	718,224
2018	21,542	221,026	170,605	584,385	1,189,415	2,186,973
2019	12,831	339,734	113,610	911,216	1,114,766	2,492,157
2020	32,099	163,561	96,500	571,427	461,991	1,325,579

Source: District records (Exhibit B-2).

## **REVENUE CAPACITY**

**WESTFIELD BOARD OF EDUCATION  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 Unaudited**

**Exhibit J-6**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value) <sup>c</sup>
2011 \$	8,138,300 \$	1,686,710,100 \$	0 \$	4,200 \$	173,055,900 \$	1,988,100 \$	21,156,200 \$	1,891,052,800 \$	0 \$	1,944,916 \$	1,892,997,716 \$	4.519 \$	7,303,231,929
2012	8,234,800	1,673,159,900	0	4,200	170,812,600	1,988,100	20,980,600	1,875,180,200	0	1,835,609	1,877,015,809	4.646	7,235,990,001
2013	9,606,800	1,658,496,600	0	4,200	166,000,400	1,988,100	20,257,900	1,856,354,000	0	1,956,540	1,858,310,540	4.785	7,109,068,630
2014	10,233,800	1,650,848,800	0	4,200	165,809,000	1,458,500	19,074,100	1,847,428,400	0	1,620,019	1,849,048,419	4.966	7,222,845,387
2015	12,119,800	1,647,855,600	0	4,200	164,116,600	1,341,600	19,074,100	1,844,511,900	0	1,505,114	1,846,017,014	5.146	7,256,875,671
2016	13,486,700	1,652,471,400	0	4,200	162,612,000	1,341,600	19,074,100	1,848,990,000	0	1,598,256	1,850,588,256	5.235	7,526,933,842
2017	13,579,600	1,660,423,900	0	4,200	160,853,100	1,341,600	19,074,100	1,855,276,500	0	1,584,072	1,856,860,572	5.395	7,686,424,696
2018	13,162,700	1,673,761,100	0	4,200	157,854,800	1,441,600	20,306,100	1,866,530,500	0	1,564,090	1,868,094,590	5.457	7,777,752,094
2019	57,049,700	7,312,278,400	0	5,900	748,327,100	5,819,200	124,288,300	8,247,768,600	0	6,569,291	8,254,337,891	1.270	8,101,346,600
2020	66,169,800	7,307,388,600	0	5,900	753,423,800	5,819,200	119,874,800	8,252,682,100	0	6,668,594	8,259,350,694	1.286	8,116,615,626

Source: District records Tax list summary & Municipal Tax Assessor.

**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. Property values for 2019 and subsequent periods reflect a revaluation of taxable properties. Revaluation occurs when authorized by the Governing Body or ordered by the County Board of Taxation

- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100
- c Union County Abstract of Ratables, when available. Or other local sources

N/A - Not Available.

**WESTFIELD BOARD OF EDUCATION  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 Unaudited**

**Exhibit J-7**

*(rate per \$100 of assessed value)*

Year Ended Dec. 30	Total Direct School Tax Rate	Town of Westfield	Union County	Total Tax Rate**
2011	\$ 4.519	\$ 1.403	\$ 1.641	7.563
2012	4.646	1.459	1.757	7.862
2013	4.785	1.505	1.893	8.183
2014	4.966	1.548	2.043	8.557
2015	5.146	1.577	2.126	8.849
2016	5.235	1.604	2.190	9.029
2017	5.395	1.627	2.224	9.246
2018	5.457	1.636	2.204	9.297
2019	1.270	0.371	0.509	2.150
2020	1.286	0.379	0.493	2.158

\*\*Excludes Special Improvement District Taxes which are levied against properties situated within this district.

**Note:** 2019 and subsequent tax rate reflect a 2019 revaluation of real property. See "J-6" for changes in assessed valuations.

Union County - Includes County Open Space Recreation & Historic Preservation for years 2004 and subsequent.

Source(s): District Records, Municipal Tax Collector and the Abstract of Ratables - Union County.

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.

**WESTFIELD BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND TEN YEARS AGO  
Unaudited**

**Exhibit J-8**

Taxpayer	YEAR ENDED DEC. 31, 2020			YEAR ENDED DEC. 31, 2010		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
WYCHWOOD GARDENS	\$ 38,991,400.00	1	0.47%	\$		
HC WESTFIELD 2015 LLC	25,413,500.00	2	0.31%			
ECHO LAKE COUNTRY CLUB	24,363,900.00	3	0.30%			
EAST COAST DUNCAN HILL, LLC	23,504,700.00	4	0.28%			
LT WESTFIELD LLC	23,384,300.00	5	0.28%			
WEILL, MAURICE	19,781,600.00	6	0.24%			
WESTFIELD MERDIAN LLP	17,057,900.00	7	0.21%			
SUNRISE ASSISTED LIVING	16,849,400.00	8	0.20%			
ERNSTOFF, ROBERT	16,474,400.00	9	0.20%			
CFGR, LLC	12,331,500.00	10	0.15%			
<b>TOTAL</b>	<b>\$ 218,152,600.00</b>		<b>2.64%</b>	<b>\$ \$ -</b>		<b>0.00%</b>

SOURCE(S): MUNICIPAL TAX ASSESSOR

N/A - Not Available.



**WESTFIELD BOARD OF EDUCATION  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
Unaudited**

**Exhibit J-9**

Fiscal Year Ended Dec. 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2010	\$ 83,913,722	\$ 83,913,722	100.00%	N/A
2011	85,544,434	85,544,434	100.00%	N/A
2012	87,194,608	87,194,608	100.00%	N/A
2013	88,912,602	88,912,602	100.00%	N/A
2014	91,815,746	91,815,746	100.00%	N/A
2015	94,993,108	94,993,108	100.00%	N/A
2016	96,878,790	96,878,790	100.00%	N/A
2017	100,170,477	100,170,477	100.00%	N/A
2018	101,933,988	101,933,988	100.00%	N/A
2019	104,749,790	104,749,790	100.00%	N/A

Source(s): Tax Collector, Town of Westfield And Annual Reports of Audit.

N/A - Not Available.

## **DEBT CAPACITY**

**WESTFIELD BOARD OF EDUCATION  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
Unaudited**

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)				
2011	\$ 24,667,000					\$ 24,667,000	1.527%	\$ 811
2012	22,682,000					22,682,000	1.357%	743
2013	20,587,000					20,587,000	1.222%	673
2014	25,353,000					25,353,000	1.433%	830
2015	26,507,000					26,507,000	1.451%	872
2016	23,922,000					23,922,000	1.318%	792
2017	33,757,000					33,757,000	1.860%	1,118
2018	30,376,000					30,376,000	1.674%	1,006
2019	27,941,000					27,941,000	1.452%	935
2020	23,441,000					23,441,000	1.164%	794

Source: District CAFR Schedule I-1.

a) 2017 Union County per capita income, computed by the Bureau of Economic Analysis using Census Bureau midyear population estimates.

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

**WESTFIELD BOARD OF EDUCATION**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**Unaudited**

**Exhibit J-11**

Fiscal Year Ended June 30,	GENERAL BONDED DEBT OUTSTANDING			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	\$ 24,667,000		\$ 24,667,000	1.30%	\$ 811.84
2012	22,682,000		22,682,000	1.21%	745.92
2013	20,587,000		20,587,000	1.11%	675.78
2014	25,353,000		25,353,000	1.37%	835.33
2015	26,507,000		26,507,000	1.44%	877.45
2016	23,922,000		23,922,000	1.29%	796.47
2017	33,757,000		33,757,000	1.82%	1,129.03
2018	30,376,000	(54,295.90)	30,321,704	1.62%	1,018.19
2019	26,941,000	(123,735.21)	26,817,265	0.32%	908.69
2020	23,441,000	(123,734.71)	23,317,265	0.28%	790.09

Source(s): Town of Westfield Tax Assessor.  
District Records.

a See Exhibit J-6 for Property Tax Data

b See Exhibit J-14 for Population Data

**WESTFIELD BOARD OF EDUCATION  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
Unaudited**

**Exhibit J-12**

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Town of Westfield	\$27,949,175	100.00%	\$27,949,175
<b>Other Debt</b>			
County of Union - Town's Share	577,364,704	11.112%	64,156,766
Rahway Valley Sewarge Authority - Town's Share	137,749,729	15.476%	<u>21,317,908</u>
<b>Subtotal Overlapping Debt</b>			113,423,849
<b>Net Direct Debt of School District as at June 30, 2020.</b>			<u>\$ 23,441,000</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$136,864,849</u></u>

**Source(s):** Town of Westfield, Chief Financial Officer.  
Union County Treasurer's Office.  
Rahway Valley Sewarge Authority.

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

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

WESTFIELD BOARD OF EDUCATION  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 Unaudited

Exhibit J-13

Legal Debt Margin Calculation for Calendar Year 2020

	<b>Equalized Valuation Basis</b>
<b>2018</b>	\$ 7,714,247,401
<b>2019</b>	7,898,986,458
<b>2020</b>	<u>8,094,777,309</u>
<b>[A]</b>	<u>\$ 23,708,011,168</u>
<b>Avg Equalized Valuation of Taxable Property</b>	<b>[A/3]</b> \$ 7,902,670,389
<b>School Borrowing Margin (4%)</b>	<b>[B]</b> 316,106,816
<b>Net Bonded School Debt (6/30/20)</b>	<b>[C]</b> <u>23,441,000</u>
<b>Legal Debt Margin</b>	<b>[B-C]</b> <u>\$ 292,665,816</u>

	<u>Fiscal Year</u>									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt Limit	\$ 302,359,911	\$ 296,709,540	\$ 290,803,202	\$ 289,534,541	\$ 290,575,027	\$ 294,519,299	\$ 299,749,036	\$ 304,663,804	\$ 310,091,292	\$ 316,106,816
Total Net Debt Applicable to Limit	<u>24,667,000</u>	<u>22,682,000</u>	<u>20,587,000</u>	<u>25,353,000</u>	<u>26,507,000</u>	<u>40,006,000</u>	<u>33,757,000</u>	<u>30,376,000</u>	<u>27,941,000</u>	<u>23,441,000</u>
Legal Debt Margin	<u>\$ 277,692,911</u>	<u>\$ 274,027,540</u>	<u>\$ 270,216,202</u>	<u>\$ 264,181,541</u>	<u>\$ 264,068,027</u>	<u>\$ 254,513,299</u>	<u>\$ 265,992,036</u>	<u>\$ 274,287,804</u>	<u>\$ 282,150,292</u>	<u>\$ 292,665,816</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	8.16%	7.64%	7.08%	8.76%	9.12%	13.58%	11.26%	9.97%	9.01%	7.42%

Source(s): Town of Westfield Annual Debt Statement - Town of Westfield Finance Director

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

**WESTFIELD BOARD OF EDUCATION  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS  
 Unaudited**

**Exhibit J-14**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2011	30,340	\$ 1,548,250,200	\$ 51,030	5.70%
2012	30,384	1,614,210,768	53,127	5.50%
2013	30,408	1,677,031,608	55,151	5.60%
2014	30,464	1,709,913,856	56,129	4.70%
2015	30,351	1,797,689,730	59,230	4.20%
2016	30,209	1,850,905,430	61,270	3.50%
2017	30,035	1,877,968,410	62,526	3.20%
2018	29,899	1,944,511,364	65,036	3.10%
2019	29,780	2,032,842,360	68,262	2.80%
2020	29,512	2,014,548,144	68,262	2.40%

**Source(s):**

<sup>a</sup> State of New Jersey, Department of labor and Workforce Development (Release Date 2019).

<sup>b</sup> Personal income has been estimated based upon the municipal population and the Union County personal income presented.

<sup>c</sup> Per Capita Data represents County of Union, estimated at 2017 levels for 2018.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development.



WESTFIELD BOARD OF EDUCATION  
 PRINCIPAL EMPLOYERS  
 CURRENT AND TEN YEARS AGO  
 Unaudited

Exhibit J-15

Employer	2019			2010		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
	UNAVAILABLE	1	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	2	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	3	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	4	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	5	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	6	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	7	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	8	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	9	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	UNAVAILABLE	10	0.00%	UNAVAILABLE	UNAVAILABLE	0.00%
	-		0.00%	-		0.00%

N/A - Unavailable.

## **OPERATING INFORMATION**

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

**Exhibit J-16**

**Unaudited**

<b><u>Function/Program</u></b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Instruction										
Teachers	460	475	475	478	475	480	484	482	483	485
Classroom Aides	12	12	14	38	31	26	30	45	43	39
Support Services:										
Student & Instruction Related Services	178	194	197	191	189	194	190	186	196	207
General Administrative Services	7	7	7	6	6	6	6	6	6	6
School Administrative Services	39	40	40	41	41	39	39	39	39	39
Business Administrative Services	14	14	15	15	15	14	14	14	14	15
Admin Info Technology Services	7	9	9	9	8	8	8	8	9	9
Plant Operations and Maintenance	58	61	61	61	61	61	61	61	61	61
Total	<u>775</u>	<u>812</u>	<u>816</u>	<u>839</u>	<u>826</u>	<u>828</u>	<u>832</u>	<u>841</u>	<u>851</u>	<u>861</u>

**Source(s):** District Personnel Records.  
 Annual Budget Supporting Documentation.

**WESTFIELD BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
Unaudited**

**Exhibit J-17**

<b>Fiscal Year</b>	<b>Enrollment</b>	<b>Operating Expenditures<sup>a</sup></b>	<b>Cost Per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff<sup>b</sup></b>	<b>Average Daily Enrollment (ADE)<sup>c</sup></b>	<b>Average Daily Attendance (ADA)<sup>c</sup></b>	<b>% Change in Average Daily Enrollment</b>	<b>Student Attendance Percentage</b>
2010-11	6,293	\$ 90,287,847	14,347	-0.30%	460	6,224	6,004	-0.5%	96.5%
2011-12	6,296	95,041,577	15,096	5.21%	475	6,272	6,063	0.8%	96.7%
2012-13	6,286	99,888,545	15,891	5.27%	475	6,286	6,040	0.2%	96.1%
2013-14	6,255	101,695,121	16,258	2.31%	478	6,193	5,973	-1.5%	96.4%
2014-15	6,266	105,676,238	16,865	3.73%	475	6,256	6,039	1.0%	96.5%
2015-16	6,320	105,812,870	16,743	-0.73%	480	6,272	6,061	0.3%	96.6%
2016-17	6,322	108,009,312	17,085	2.04%	484	6,301	6,074	0.5%	96.4%
2017-18	6,357	114,124,538	17,953	5.08%	482	6,311	6,105	0.2%	96.7%
2018-19	6,238	121,441,122	19,468	8.44%	481	6,191	5,975	-1.9%	96.5%
2019-20	6,227	120,896,781	19,415	-0.27%	483	6,202	6,049	0.2%	97.5%

**Source(s):** District Records.

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

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff obtained from Budget Supporting Documentation.

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

**WESTFIELD BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

**Exhibit J-18**

Unaudited

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>BUILDING</b>										
<b>ELEMENTARY</b>										
FRANKLIN [1929] [1956] [2000]										
SQUARE FEET	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814	65,814
CAPACITY - STATE MODEL - STUDENTS	550	550	550	550	550	550	550	550	550	550
ENROLLMENT	642	636	636	570	575	569	584	594	580	604
JEFFERSON [1953] [1955] [1996]										
SQUARE FEET	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849	47,849
CAPACITY - STATE MODEL - STUDENTS	431	431	431	431	431	431	431	431	431	431
ENROLLMENT	468	469	483	502	496	489	481	474	442	466
MCKINLEY [1906] [1931] [2000]										
SQUARE FEET	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140	61,140
CAPACITY - STATE MODEL - STUDENTS	337	337	337	337	337	337	337	337	337	337
ENROLLMENT	368	355	349	344	350	353	361	348	340	353
TAMAQUES [1961]										
SQUARE FEET	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350	48,350
CAPACITY - STATE MODEL - STUDENTS	430	430	430	430	430	430	430	430	430	430
ENROLLMENT	437	431	441	439	439	438	429	408	401	431
WASHINGTON [1954] [1992]										
SQUARE FEET	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700	36,700
CAPACITY - STATE MODEL - STUDENTS	332	332	332	332	332	332	332	332	332	332
ENROLLMENT	333	325	319	330	326	320	330	311	309	270
WILSON [1935] [1963] [1996] [2000]										
SQUARE FEET	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595
CAPACITY - STATE MODEL - STUDENTS	449	449	449	449	449	449	449	449	449	449
ENROLLMENT	412	393	389	385	387	394	388	371	354	347
LINCOLN SCHOOL [1922] [2008]										
SQUARE FEET	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980	26,980
CAPACITY - STATE MODEL - STUDENTS	465	465	465	465	465	465	465	465	465	465
ENROLLMENT	257	260	283	234	313	315	300	311	300	283
<b>INTERMEDIATE</b>										
EDISON [1958] [1964]										
SQUARE FEET	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998	124,998
CAPACITY - STATE MODEL - STUDENTS	768	768	768	768	768	768	768	768	768	768
ENROLLMENT	767	828	826	808	811	831	825	843	841	818
ROOSEVELT [1926] [1964]										
SQUARE FEET	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890	112,890
CAPACITY - STATE MODEL - STUDENTS	683	683	683	683	683	683	683	683	683	683
ENROLLMENT	739	731	717	731	729	734	752	782	777	736
<b>HIGH SCHOOL</b>										
WESTFIELD HIGH SCHOOL [1950] [1906] [2002]										
SQUARE FEET	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320	303,320
CAPACITY - STATE MODEL - STUDENTS	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713
ENROLLMENT	1,844	1,838	1,844	1,853	1,852	1,863	1,863	1,915	1,865	1,894
<b>OTHER</b>										
ADMINISTRATION [1914]										
SQUARE FEET	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410	29,410

SOURCE: DISTRICT RECORDS

NOTE: YEAR OF ORIGINAL CONSTRUCTION IS SHOWN IN PARENTHESES FOLLOWING THE NAME OF THE BUILDING. DATES, IF ANY FOR A SUBSEQUENT ADDITION ALSO FOLLOW IN PARENTHESES.

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

Exhibit J-19

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

School Facilities	Project # (s)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
FRANKLIN ELEMENTARY SCHOOL	N/A	\$ 84,209	\$ 75,771	\$ 74,903	\$ 71,561	\$ 64,378	\$ 78,663	\$ 80,717	\$ 84,358	\$ 92,283	\$ 82,291
JEFFERSON ELEMENTARY SCHOOL	N/A	54,128	56,965	51,959	82,148	72,977	57,191	58,685	61,332	64,611	57,615
LINCOLN ELEMENTARY SCHOOL	N/A	34,802	33,689	41,116	44,675	30,190	32,248	33,089	34,582	29,298	26,126
MCKINLEY ELEMENTARY SCHOOL	N/A	93,323	69,224	70,831	64,098	66,222	73,077	74,986	78,366	94,148	83,954
TAMAQUES ELEMENTARY SCHOOL	N/A	50,364	50,022	54,558	44,557	47,277	57,790	59,299	61,973	74,817	66,716
WASHINGTON ELEMENTARY SCHOOL	N/A	53,168	80,267	60,822	44,099	38,639	43,864	45,010	47,041	71,123	63,422
WILSON ELEMENTARY SCHOOL	N/A	62,170	47,389	44,637	57,136	88,365	95,475	55,921	58,443	79,118	70,551
EDISON INTERMEDIATE SCHOOL	N/A	134,347	130,929	151,442	124,974	129,150	144,118	153,305	160,218	134,436	119,879
ROOSEVELT INTERMEDIATE SCHOOL	N/A	123,993	124,343	139,627	138,299	124,232	134,930	138,453	144,698	146,200	130,370
WESTFIELD HIGH SCHOOL	N/A	317,569	313,681	355,399	316,957	324,952	359,594	400,056	362,503	577,055	514,572
ADMINISTRATION BULIDING	N/A	51,801	46,228	33,066	35,291	45,420					
<b>GRAND TOTAL</b>		<b>\$ 1,059,874</b>	<b>\$ 1,028,508</b>	<b>\$ 1,078,360</b>	<b>\$ 1,023,795</b>	<b>\$ 1,031,802</b>	<b>\$ 1,076,950</b>	<b>\$ 1,099,521</b>	<b>\$ 1,093,514</b>	<b>\$ 1,363,090</b>	<b>\$ 1,215,496</b>

SOURCE: DISTRICT RECORDS.

**WESTFIELD BOARD OF EDUCATION**  
**INSURANCE SCHEDULE**  
**As of June 30, 2020**  
**UNAUDITED**

<b>Commercial Package Policy - New Jersey Schools Insurance Group (NJSIG)</b>	<b>COVERAGE</b>	<b>DEDUCTIBLE</b>
Real & Personal Property (per occurrence)	\$500,000,000	\$5,000
Blanket Extra Expense	\$50,000,000	\$5,000
Blanket Valuable Paper & Records	\$10,000,000	\$5,000
Demolition & Increased Cost of Construction	\$25,000,000	
Limited Builders Risk	\$10,000,000	
Fire Dept. Service Charge	\$10,000	
Arson Reward	\$10,000	
Pollution Cleanup & Removal	\$250,000	
<b>Flood/Earthquake:</b>		
Flood Zone A & V	\$25,000,000	\$500,000
All Other Flood Zones	\$75,000,000	\$10,000
Earthquake	\$50,000,000	\$1,000
Terrorism	\$1,000,000	
<b>Electronic Data Processing:</b>		
Blanket Hardware/Software, Extra Expense, Business Income, Transit, Debris Removal	\$1,000,000	\$1,000
Flood (Deductible for Zone A & Z)		\$500,000
(Deductible All Other Flood Zones)		\$10,000
<b>Equipment Breakdown</b>		
Combined Single Limit/Accident for Property Damage & Business Income	\$100,000,000	\$5,000
Property Damage	Included	\$5,000
Off Premises Property Damage	\$1,000,000	\$5,000
Extra Expense	\$10,000,000	\$5,000
Service Interruption	\$10,000,000	\$5,000
Perishable Goods	\$1,000,000	\$5,000
Data Restoration	\$1,000,000	\$5,000
Demolition	\$1,000,000	\$5,000
Ordinance or Law	\$1,000,000	\$5,000
Expediting Expense	\$1,000,000	\$5,000
Hazardous Substances	\$1,000,000	\$5,000
Newly Acquired Locations - 120 Days Notice	\$1,000,000	\$5,000
<b>Crime Coverage:</b>		
Public Employee Dishonesty	\$1,000,000	\$1,000
Theft, Disapp. & Destruction/Money Orders & Counterfeit Currency	\$50,000	\$500
Forgery or Alteration	\$1,000,000	\$1,000
Computer Fraud	\$100,000	\$1,000
<b>Public Officials Bond</b>		
Board Secretary - D Sullivan (Selective Ins Co)	\$438,000	\$0
<b>General Liability:</b>		
Bodily Injury & Property Damage	\$11,000,000	
Products & Completed Operations	\$11,000,000	
Sexual Abuse	\$11,000,000	
Personal Injury & Advertising Injury	\$11,000,000	
Employee Benefits Liability	\$11,000,000	\$1,000
Premises Medical Payments	\$10,000 per accident \$5,000 per person	
Terrorism	\$1,000,000	
<b>Automotive Coverage:</b>		
Combined Single Limit for Bodily Injury & Property Damage	\$11,000,000	\$1,000 coll/comp
Personal Injury Protection	\$250,000	
Medical Payments	\$10,000	
Underinsured	\$1,000,000	
Terrorism	\$1,000,000	
Garagekeepers	Included	
<b>School Leaders Errors &amp; Omissions</b>		
Coverage A - protection againsts "loss"/Wrongful Acts	\$11,000,000	\$25,000
Coverage B - defense costs for specific administrative actions	\$100,000	\$25,000
	\$300,000	\$25,000
Retro Date	7/1/1986	
<b>Workers' Compensation</b>		
Part One	Statutory	
Part Two		
Bodily Injury by Accident	\$2,000,000	
Bodily Injury by Disease	\$2,000,000	
<b>Excess Liability (Starstone)</b>		
Excess Over AL/GL/SBL	\$ 29,000,000	\$ 11,000,000
<b>Environmental Impairment (Mold)</b>		
Philidelphia Ins Co	\$ 1,000,000	\$ 10,000
<b>Travel Accident Insurance</b>		
ACE USA	\$1,000,000	

Source: District's Records and Insurance Company

**SINGLE AUDIT SECTION**  
**SECTION - K**



**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**

Honorable President and Members  
of the Board of Education  
Westfield School District  
Westfield, New Jersey

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Westfield School District, in the County of Union, State of New Jersey, as of and for the 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 January 27, 2021.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Westfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We also noted other matters that we reported to the Board of Education of the Westfield School District in a separate report entitled, Auditors Management Report on Administrative Findings dated January 27, 2021.

## **Purpose of this Report**

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

*Hodulik & Morrison, P.A.*

HODULIK & MORRISON, P.A.  
A division of PKF O'Connor Davies  
Certified Public Accountants  
Registered Municipal Accountants  
Public School Accountants

*Andrew G. Hodulik*  
Andrew G. Hodulik  
Public School Accountant  
PSA # 841

Cranford, New Jersey  
January 27, 2021

## HODULIK & MORRISON, P.A.

A division of



### REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

#### **INDEPENDENT AUDITORS' REPORT**

Honorable President and Members  
of the Board of Education  
Westfield School District  
Westfield, New Jersey

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

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

#### **Management's Responsibility**

Management is responsible for compliance with the requirement of laws, regulations, contracts and grants applicable to its federal and state programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Westfield School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred.

20 Commerce Drive, Suite 301, Cranford, NJ 07016  
Tel: 908.272.6200 | Fax: 908.272.2416

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

An audit includes examining, on a test basis, evidence about the Westfield School District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination on the Westfield School District's compliance.

### **Opinion on Each Major Federal and State Program**

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

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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 the 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.

## **Purpose of this Report**

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

*Hodulik & Morrison, P.A.*

HODULIK & MORRISON, P.A.  
A division of PKF O'Connor Davies  
Certified Public Accountants  
Registered Municipal Accountants  
Public School Accountants

*Andrew G. Hodulik*

Andrew G. Hodulik  
Public School Accountant  
PSA # 841

Cranford, New Jersey  
January 27, 2021

WESTFIELD SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance
				From	To		June 30, 2019 Deferred Revenue/ (Accounts Receivable)					June 30, 2020 Deferred Revenue/ (Accounts Receivable)
General Fund:												
U.S. Department of Education												
Passed through State Department of Education:												
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	100-054-7540-211	7/1/19	6/30/20	\$ 42,572	\$	\$	42,572.37	(42,572.37)		\$
Total General Fund									42,572.37	(42,572.37)		
Special Revenue Fund:												
U.S. Department of Education												
Passed through State Department of Education:												
Special Education Cluster:												
I.D.E.A. - Part B, Basic Regular	84.027	H027A190100	034-5065-100-016	7/1/19	9/30/20	1,432,811		9,155.15	1,302,019.00	(1,393,157.08)	(0.07)	(81,983.00)
I.D.E.A. - Part B, Basic Regular	84.027	H027A180100	034-5065-100-016	7/1/18	6/30/19	1,431,779	(79,194.85)	(9,155.15)	88,350.00			
I.D.E.A. - Part B, Basic Regular	84.027	H027A170100	034-5065-100-016	7/1/17	6/30/18	1,429,721	0.42				(0.42)	
I.D.E.A. - Part B, Preschool	84.173	H173A190114	034-5065-100-020	7/1/19	9/30/20	114,172		54,951.00	52,046.00	(108,447.40)	0.40	(1,450.00)
I.D.E.A. - Part B, Preschool	84.173	H173A180114	034-5065-100-020	7/1/18	6/30/19	115,851	(4,494.00)	(54,056.00)	58,550.00			
I.D.E.A. - Part B, Preschool	84.173	H173A170114	IDEA-18	7/1/17	6/30/18	73,740	(726.00)	(895.00)	1,621.00			
Total Special Education Cluster							(84,414.43)		1,502,586.00	(1,501,604.48)	(0.09)	(83,433.00)
No Child Left Behind (NCLB):												
Title I, Part A	84.010A	S010A190030	034-5064-100-194	7/1/19	9/30/20	146,071		4,880.58	75,869.00	(119,674.82)		(38,925.24)
Title I, Part A	84.010A	S010A180030	034-5064-100-194	7/1/18	6/30/19	172,066	(49,315.42)	(4,880.58)	54,196.00			
Title II, Part A	84.367A	S367A190029	034-5063-100-290	7/1/19	6/30/20	80,047		(5,626.37)	32,629.00	(72,443.35)		(45,440.72)
Title II, Part A	84.367A	S367A180029	034-5063-100-290	7/1/18	6/30/19	80,111	(42,251.35)	(1,063.65)	43,315.00			
Title II, Part A	84.367A	S367A170029	034-5063-100-290	7/1/17	6/30/18	100,575	(6,690.02)	6,690.02				
Title III	84.365A	S365A190030	NCLB-20	7/1/19	9/30/20	18,578		14,622.20		(13,791.53)		830.67
Title III	84.365A	S365A180030	NCLB-19	7/1/18	6/30/19	20,205	9,205.20	(14,622.20)	5,417.00			
Title III - Immigrant	84.365A	S365A190030	NCLB-20	7/1/19	9/30/20	7,630		30.00	10,323.00	(4,667.65)		5,685.35
Title III - Immigrant	84.365A	S365A180030	NCLB-19	7/1/18	6/30/19	6,648	(3,329.00)	(30.00)	3,359.00			
Title IV	84.424	S424A190031	034-5063-100-348	7/1/19	9/30/20	14,744		3,667.50		(3,133.25)		534.25
Title IV	84.424	S424A180031	034-5063-100-348	7/1/18	6/30/19	11,846	(6,376.50)	(3,667.50)	10,044.00			
Total Special Revenue Fund							(183,171.52)		1,737,738.00	(1,715,315.08)	(0.09)	(160,748.69)
Enterprise Fund:												
U.S. Department of Agriculture												
Passed through State Department of Education:												
Child Nutrition Cluster:												
National School Lunch Program	10.555	191NJ304N1099	100-010-3350-026	7/1/18	6/30/19		(2,991.94)		2,991.94			
Food Distribution Program (NC)	10.555	191NJ304N1099	100-010-3350-026	7/1/18	6/30/19					(5,434.68)	5,434.68	
Total Child Nutrition Cluster							(2,991.94)		2,991.94	(5,434.68)	5,434.68	
Total Enterprise Fund							(2,991.94)		2,991.94	(5,434.68)	5,434.68	
Agency Fund:												
U.S. Department of Labor												
Passed through State Department of Labor:												
Cares Act DOL Unemployment Grant	17.000	Not Applicable	Not Applicable	7/1/19	6/30/20	51,743				(51,742.84)		(51,742.84)
Total Agency Fund										(51,742.84)		(51,742.84)
TOTAL EXPENDITURES OF FEDERAL AWARDS							\$ (186,163.46)	\$	\$ 1,783,302.31	\$ (1,815,064.97)	\$ 5,434.59	\$ (212,491.53)

Footnote(s):

N/A - Not Available

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

WESTFIELD SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Schedule - B  
 Exhibit K - 4

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NO.	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2019			CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAY. OF PR. YRS. BALANCES	BALANCE AT JUNE 30, 2020		MEMO	
				GAAP DEF.REV./ (ACCTS.REC.)	MEMO BUDGETARY (ACCTS. REC.)	DUE TO GRANTOR				(ACCTS.REC.)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>General Fund</b>													
<b>State Department of Education:</b>													
Special Education Categorial Aid	495-034-5120-089	\$ 3,267,761	7/1/19-6/30/20	\$	\$		\$ 2,945,811.00	\$ (3,267,761.00)	\$	\$	\$ (321,950.00)	\$	(3,267,761.00)
Special Education Categorial Aid	495-034-5120-089	2,815,067	7/1/18-6/30/19		(275,673.00)		275,673.00						(575,681.00)
Transportation Aid	495-034-5120-014	575,681	7/1/19-6/30/20				518,963.00	(575,681.00)					(575,681.00)
Transportation Aid	495-034-5120-014	575,681	7/1/18-6/30/19		(55,880.00)		55,880.00						(437,833.00)
Security Aid	495-034-5120-084	437,833	7/1/19-6/30/20				394,696.00	(437,833.00)					(437,833.00)
Security Aid	495-034-5120-084	437,833	7/1/18-6/30/19		(40,978.00)		40,978.00						
Extraordinary Aid	495-034-5120-044	1,494,821	7/1/19-6/30/20					(1,494,821.00)		(1,494,821.00)			(1,494,821.00)
Extraordinary Aid	495-034-5120-044	1,419,584	7/1/18-6/30/19	(1,419,584.00)			1,419,584.00						
Non-Public Transportation	495-034-5120-014	84,269	7/1/18-6/30/19	(84,269.00)			84,269.00						
T.P.A.F. Social Security Aid	495-034-5095-003	3,569,611	7/1/19-6/30/20				3,393,288.01	(3,569,611.10)		(176,323.09)			(3,569,611.10)
T.P.A.F. Social Security Aid	495-034-5095-003	3,516,526	7/1/18-6/30/19	(173,886.51)			173,886.51						
On-behalf T.P.A.F. Pension Contribution	495-034-5095-002	9,968,972	7/1/19-6/30/20				9,968,972.00	(9,968,972.00)					(9,968,972.00)
On-behalf T.P.A.F. Post Retirement Medical	495-034-5095-001	3,698,306	7/1/19-6/30/20				3,698,306.00	(3,698,306.00)					(3,698,306.00)
On-behalf T.P.A.F. LTDI Premiums	495-034-5094-004	7,192	7/1/19-6/30/20				7,192.00	(7,192.00)					(7,192.00)
<b>Total General Fund</b>				(1,677,739.51)	(372,531.00)	-	22,977,498.52	(23,020,177.10)	-	(1,671,144.09)	-	(421,805.00)	(23,020,177.10)
<b>Special Revenue Fund</b>													
<b>State Department of Education:</b>													
<b>N.J. Nonpublic Aid:</b>													
Textbook Aid	100-034-5120-064	22,613	7/1/19-6/30/20				22,613.00	(15,186.26)	0.26		7,427.00		(15,186.26)
Textbook Aid	100-034-5120-064	22,374	7/1/18-6/30/19			6,045.50			(6,045.50)				
<b>Auxiliary Services:</b>													
Compensatory Education	100-034-5120-067	40,154	7/1/19-6/30/20				35,950.00	(39,343.20)	0.20	(3,393.00)		(3,393.00)	(39,343.20)
Compensatory Education	100-034-5120-067	57,688	7/1/18-6/30/19										
Transportation	100-034-5120-067	9,929	7/1/19-6/30/20				8,937.00	(9,929.00)		(992.00)		(992.00)	(9,929.00)
Transportation	100-034-5120-067	10,153	7/1/18-6/30/19					(507.00)		(507.00)		(507.00)	(507.00)
Home Instruction	100-034-5120-067	507	7/1/18-6/30/19										
<b>Handicapped Services:</b>													
Supplementary Instruction	100-034-5120-066	30,760	7/1/19-6/30/20				27,684.00	(18,294.70)	(0.30)		9,389.00		(18,294.70)
Supplementary Instruction	100-034-5120-066	34,097	7/1/18-6/30/19			7,610.80			(7,610.80)				
Examination & Classification	100-034-5120-066	7,076	7/1/19-6/30/20				7,076.00	(7,076.00)					(7,076.00)
Corrective Speech	100-034-5120-066	30,988	7/1/19-6/30/20				27,890.00	(18,957.12)	0.12		8,933.00		(18,957.12)
Corrective Speech	100-034-5120-066	32,141	7/1/18-6/30/19			7,142.60			(7,142.60)				
Initial Exam & Classification	100-034-5120-066	23,394	7/1/19-6/30/20				20,347.00	(14,296.15)	0.15		6,051.00		(14,296.15)
Initial Exam & Classification	100-034-5120-066	40,740	7/1/18-6/30/19			8,911.75			(8,911.75)				
Nursing Services	100-034-5120-070	41,613	7/1/19-6/30/20				41,613.00	(30,911.75)	(0.25)		10,701.00		(30,911.75)
Nursing Services	100-034-5120-070	40,643	7/1/18-6/30/19			11,064.74			(11,064.74)				
Technology Initiative	100-034-5120-373	15,444	7/1/19-6/30/20				15,444.00	(11,433.24)	0.24		4,011.00		(11,433.24)
Technology Initiative	100-034-5120-373	15,084	7/1/18-6/30/19			1,570.34			(1,570.34)				
Nonpublic Security	100-034-5120-509	64,350	7/1/19-6/30/20				64,350.00	(30,704.43)	0.43		33,646.00		(30,704.43)
Nonpublic Security	100-034-5120-509	62,850	7/1/18-6/30/19			22,215.97			(22,215.97)				
<b>Total Special Revenue Fund</b>				-	-	64,561.70	271,904.00	(196,638.85)	(64,560.85)	(4,892.00)	80,158.00	(4,892.00)	(196,638.85)

WESTFIELD SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Schedule - B  
 Exhibit K - 4

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NO.	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2019			CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAY. OF PR. YRS. BALANCES	BALANCE AT JUNE 30, 2020		MEMO	
				GAAP DEF.REV./ (ACCTS.REC.)	MEMO BUDGETARY (ACCTS.REC.)	DUE TO GRANTOR				(ACCTS.REC.)	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<b>Debt Service Fund</b>													
State Department of Education: Debt Service Aid	495-034-5120-017	779,119	7/1/19-6/30/20				779,119.00	(779,119.00)					(779,119.00)
Total Debt Service Fund				-	-	-	779,119.00	(779,119.00)	-	-	-	-	(779,119.00)
<b>Capital Projects Fund</b>													
State Department of Education: SDA Grants - Cluster	5730-xxx-xx-xxxx		Indefinite	(395,673.00)						(395,673.00)			
Total Capital Projects Fund				(395,673.00)	-	-	-	-	-	(395,673.00)	-	-	0.00
<b>Enterprise Fund</b>													
State Department of Education: National School Lunch Prog. (State Share)	100-010-3350-023		7/1/18-6/30/19	(170.04)			170.04						-
Total Enterprise Fund				(170.04)	-	-	170.04	-	-	-	-	-	-
Total State Financial Assistance				\$ (2,073,582.55)	\$ (372,531.00)	\$ 64,561.70	\$ 24,028,691.56	\$ (23,995,934.95)	\$ (64,560.85)	\$ (2,071,709.09)	\$ 80,158.00	\$ (426,697.00)	\$ (23,995,934.95)

Pursuant to the directive of the New Jersey State Department of Education, on-behalf payments for T.P.A.F. Pensions, Post-Retirement Medical and Non-Contributory Insurance are excluded from the scope of the State Single Audit and are not considered when determining Type A or Major Programs under NJOMB Circular 15-08.

Reconciliation:

Budgetary Expenditures	\$ 23,995,934.95
Less:	
On-behalf T.P.A.F. Post Retirement Medical	(3,698,306.00)
On-behalf T.P.A.F. Pension Contribution	(9,968,972.00)
On-behalf T.P.A.F. LTDI Premiums	(7,192.00)
Amount Subject to State Single Audit	<u>\$ 10,321,464.95</u>

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



**WESTFIELD SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND**  
**STATE FINANCIAL ASSISTANCE**  
**JUNE 30, 2020**

**NOTE 1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Town of Westfield School District. All federal and state awards received directly from federal and state agencies, as well as federal awards and state assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance. The Board of Education is defined in Note 1 to the Board's basic financial statements.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's general-purpose financial statements (GASB 34 – Model - basic financial statements). The information in these schedules are presented in accordance with the requirements of OMB Uniform Guidance, *Uniform Administrative Requirements, Cost Principle, and Audit Requirements for Federal Awards* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District did not allocate any indirect costs to any of its federal and/or state financial awards/assistance programs during the 2019-2020 school year.

**NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A: 22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund accompanying schedules agree with amounts reported in the Board's general-purpose financial statements. The general-purpose financial statements present the special revenue fund on both a GAAP basis and a budgetary basis. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A: 22-44.2.

**WESTFIELD SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2020**

**NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS  
(Cont'd.)**

See Note 1(F) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the special revenue fund. Award and financial assistance revenues are reported in the Board's general-purpose financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$42,572.37	\$22,970,903.10	\$23,013,475.47
Special Revenue Fund	1,715,315.08	196,638.85	1,911,953.93
Debt Service Fund		779,119.00	779,119.00
Food Service Fund	5,434.68		5,434.68
Trust	<u>51,742.84</u>	_____	<u>51,742.84</u>
Total Assistance	<u>\$1,815,064.97</u>	<u>\$23,946,660.95</u>	<u>\$25,761,725.92</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5. OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Pensions Contributions, Post-Retirement Medical, and Long Term Disability Benefits represents the amount paid by the state on behalf of the District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

The post-retirement pension, medical and disability insurance benefits received on behalf of the District for the year ended June 30, 2020 amounted to \$13,674,470. Since on-behalf post retirement pension, medical and disability insurance benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however they are reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

**NOTE 6. INDIRECT COSTS**

The District did not use the 10% de minimis indirect cost rate.

**WESTFIELD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

K-6

Section 1 - Summary of Auditor's Results

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal Control over financial reporting:

1) Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

2) Significant Deficiency(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None Reported

Noncompliance material to basic financial statements noted? \_\_\_\_\_ Yes  X  No

**Federal Awards**

Internal Control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ Yes  X  No

2) Significant Deficiency(s) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes  X  None Reported

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR-200.516(a)? \_\_\_\_\_ Yes  X  No

Identification of major programs:

CFDA Number(s)	FAIN Numbers	Name of Federal Program or Cluster
84.027	H027A190100	Special Education (IDEA) Cluster: IDEA, Part B, Basic
84.173	H173A190114	IDEA, Part B, Preschool

Dollar threshold used to distinguish between Type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

**WESTFIELD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

K-6

Section 1 - Summary of Auditor's Results (cont'd)

**State Financial Assistance**

Dollar threshold used to distinguish between Type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee?     X     Yes            No

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

Internal Control over major programs:

1) Material weakness(es) identified?            Yes     X     No

2) Significant Deficiency(s) identified that are not considered to be material weaknesses?            Yes     X     None Reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08            Yes     X     No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program or Cluster</u>
<u>495-034-5120-017</u>	<u>Debt Service Aid</u>
<u>495-034-5120-044</u>	<u>Extraordinary Aid</u>

**WESTFIELD SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

K-6

Section II - Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with chapter 5.18 of *Government Auditing Standards*.

**Significant Deficiency(ies)/Material Weaknesses**

None Noted.

**Noncompliance**

None Noted.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by the Uniform Guidance and New Jersey OMB's circular 15-08.

**State Financial Assistance Programs:**

**Significant Deficiency(ies)/Material Weaknesses**

None Noted.

**Noncompliance**

None Noted.

**WESTFIELD SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

*Section I – Summary of Prior Year Federal and State Findings*

No prior year audit findings were noted.