

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON  
SCHOOL DISTRICT  
GLOUCESTER COUNTY, NEW JERSEY**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

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



**WASHINGTON TOWNSHIP PUBLIC SCHOOLS**  
**EILEEN ABBOTT CENTRAL ADMINISTRATION BUILDING**  
**OFFICE OF THE SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**  
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March 11, 2022

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

Dear Board Members:

The annual comprehensive financial report of the Washington Township School District (District) for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report and the required supplementary information in compliance with the Governmental Accounting Standards Board Statement. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, and findings and questioned costs, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Washington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Washington Township Board of Education and all its schools constitute the District's reporting entity.

E<sup>4</sup>

Excellence through Equity, Engagement, and Environment

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These services include regular and vocational, as well as special education for gifted and handicapped youngsters. The following details the changes in the student enrollment within the District over the last five years.

#### AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-2021	6,819	(4.76%)
2019-2020	7,160	0.77%
2018-2019	7,105	(1.20%)
2017-2018	7,191	(0.94%)
2016-2017	7,259	0.48%

#### 2) ECONOMIC CONDITION AND OUTLOOK:

Washington Township, Gloucester County, New Jersey, is a community comprised of predominately single-family residences (80% of the tax base). Our community, like most communities across the nation, is starting to recover from a recession experienced by the entire country in recent years. The community is extremely supportive of the educational system as evident in its active participation in the educational process. The District has been fiscally responsible considering the economic hardships endured by the community and continues to work within the mandated tax levy cap.

In July 2018, the governor signed Senate Bill S2 into law which will have a significant impact on State funding of K-12 public education. This results in a negative impact for Washington Township, Gloucester County, New Jersey. State funding is estimated to decrease by \$3.1 million between FY 2022-2023 and FY 2024-2025.

Although the economic times have been challenging, the Washington Township School District has maintained its high standards and rigorous curriculum, continuing its tradition of being an award-winning school district which is the foremost reason why most residents have chosen to reside here.

#### 3) MAJOR INITIATIVES

##### Curriculum Adoptions, Revisions, and State Assessments

- Significant work by our district teachers, content/grade level/special education supervisors, and our Directors of Elementary & Secondary Education on the “development phase” of our current curriculum revision cycle: K-5 Math, 9-12 Business Education, and PK-12 Music/Drama/Dance.



- Significant work by our district teachers, content/grade level/special education supervisors, and our Directors of Elementary & Secondary Education on the “implementation phase” of our current curriculum revision cycle 6-12 Mathematics, K-12 Art, 6-12 Technology Education, and PK-12 CST/Speech.
- A year-long effort has literacy, special education, and basic skills teachers collaborating to construct a framework of ELA instruction. This integrated approach to teaching reading and writing is essential to ensuring that all students are mastering the skills for reading, writing, speaking, and listening, and language in a learner-active, technology-infused setting. By establishing a continuous cycle of instruction of reading, writing, and textual citation, students will be poised to acquire the New Jersey Student Learning Standards in a manner consistent with college and careers.
- Maintenance of a refined programming in all content areas. Priority standards were identified and addressed throughout our hybrid and remote lessons.
- The district maintains a strategic plan that encompassed significant input from the district and school community.
- Ongoing work to increase AP enrollment and test taking with the advent of academic incentives. In addition, our guidance staff utilized statistics from the College Board that predicted success in specific AP programs based on an analysis of PSAT results in both 10<sup>th</sup> and 11<sup>th</sup> grade. There is an ongoing effort to recruit non-transitional learners to diversify our participants in the AP program.
- A review and analysis of our PSAT, SAT, and Advanced Placement testing results and then adjusting our curricula and benchmark assessments accordingly.
- Our high school offered twenty-five (25) Advanced Placement courses. Last year 310 tests were taken with 68% of students earning a score of 3 or higher.
- Washington Township High School was again one of the New Jersey High Schools to offer the Seal of Biliteracy distinction to students who have mastered English as well as a second language.

#### Local Assessments and Grading

- Our elementary schools transitioned into a standards-based grading system which expanded into grades 3-5 to create a K-5 approach to grading and measuring student learning growth in relation to key learning standards.
- Our weighted grading initiative provides for all graded assignments being classified by level (e.g., Major, Minor, or Supportive Assessments to be counted as 50%, 35%, and 15% of the grade), respectively. This standardization of grading helps parents and students understand academic progress more fully and creates a level of consistency across disciplines. The secondary level transitioned into a semester grading system.
- Schoology assessments are beginning to become a mechanism to evaluate student growth toward the NJSLs.
- Ongoing refinement of our district-wide benchmark assessments so they are aligned with the New Jersey Student Learning Standards in

ELA/Mathematics/Science along with the annual Spring state standardized testing performance expectations across the tested grade levels.

- Continued implementation of our online K-12 STAR Computerized Testing System/Accelerated Reader program in all schools to determine/support student needs, recommend specific targeted interventions, and assess and monitor student progress in reading and mathematics.

#### Differentiation

- Our robust Multi-Tiered System of Supports (MTSS) provides for the implementation of learning walks, our NJTSS district framework, our district protocols, and our intervention plan for services K-12.
- Refinement of the data meeting protocol at the elementary level in order for administrators and specialists to meet with each individual teacher regarding the diverse and specific needs of students. Supervisors developed protocols to track student progress and adjust interventions for struggling and gifted learners for each teacher.
- Creation of middle school Tier 2 and 3 interventions to help students recover learning. Teachers and other staff members have been recruited to deliver interventions to a cadre of triaged students, applying remedial measures to enable redos and retakes.
- Ongoing implementation of instructional software and/or web-based programs designed to improve and/or remediate reading deficiencies at the K-8 level including, for example, Fast ForWord, RAZ-Kids, Read 180, System 44, BrainPop/BrainPop Jr., Newsela, Rocket Lit, IXL, and Success Maker.
- Refinement of the READ 180 Program (and the System 44 program where appropriate) at the middle and high school levels with a goal of meeting the needs of our struggling special education and at-risk regular education student populations while transitioning out of the program.
- Implementation of additional time programs including: Elementary transition programs, Academic Recovery Sessions, Mentoring Minds, 5<sup>th</sup> to 6<sup>th</sup> Grade Summer Transition Program, Middle School Prep Club, Middle School After-School Digits Club and Freshman Transition Programs.

#### Early Childhood and Elementary

- Continued implementation of a full-day kindergarten program at Grenloch Terrace Early Childhood Center, with all kindergarten students to gradually return to their home school. This goal will be accomplished for September 2023. Bells School housed their own kindergarten in the 20-21 school year. Our full-day kindergarten offers social, emotional, and intellectual benefits to all kindergarteners, giving them more time to focus and reflect on activities and transition between them.
- Our integrated preschool expansion continued this year. Each class included typically developing 3- and 4-year-old children and children with disabilities,

learning together in the same environment using the Tools of the Mind curriculum. Prior to the beginning of the 2022 school year, our district applied for the Preschool Expansion Aid. In preparation for these new classrooms, the elementary home schools have been preparing for their kindergarten population to return to them.

- Elementary PLCs met weekly to design and share digital lessons by grade level and subject area. Each teacher participated in a PLC and contributed to the creation of all digital resources for remote and hybrid instruction.
- Intervention staff served as REF (Remote Education Facilitators) to deliver live instruction for our youngest learners. Seesaw and Schoology were utilized as our main portal for K-2 and 3-5, respectively.
- Annual professional development relating to the dyslexia mandate to ensure a broader knowledge base of the definition of dyslexia, identification indicators, the district screening process, and the district interventions and efforts to ensure students receive appropriate services.
- A focus on basic math fact fluency while also providing practice in computational thinking was implemented by the ongoing supplemental programs such as the First in Math Program in kindergarten through fifth grade.
- Ongoing refinement of the curricula for our K-5 Gifted and Talented Program including the new digital experiences and units for our ELEMEnTS (Elementary Learners Engaged in Math, Engineering, new Technologies, and Science) Program. The students continue to be engaged in problem-based learning work, STEM projects, and a variety of virtual field trips to engage students in cognitively complex learning tasks. A Mock Trial unit was added, and our students placed first in the state competition.
- The use of digital platforms were enhanced to support hybrid and remote learners: Nearpod, BrainPop, Webex, Teams, Learning.com, DyKnow, Apple Classroom, and more.

#### Technology Integration

- Ongoing support for the inventory of student devices to differentiate instruction to support a 1:1 student laptop initiative at Grades 3 through 12 and a 1:1 iPad device for our primary grade learners and teachers. This ensures that students at each grade level can demonstrate the skills, comfort levels, and adaptability essential for the successful infusion of significantly expanded digital technology integration in the classroom. These essential technology tools and related components serve as well, when integrated into instruction, to prepare our students to meet the demands for college/career readiness and future success.
- Two (2) Elementary level, one (1), Middle level, and one (1) High School Level Technology Integration Specialists are deployed to support staff with infusing technology into their lessons while addressing the highest expectations on the SAMR Model.

- Expansion of Schoology as an LMS and the enhancement of Seesaw for Schools in K-2 was implemented, and all staff were trained through virtual live sessions or delivered through recordings coupled with a performance task.

#### Parental Support/Involvement

- Many parent involvement activities were converted to a virtual format (e.g., Back to School Night, Parent Flipbooks Conferences, etc.).
- Evening parent involvement programs including Virtual Nights, Special Education Parent Advisory Group (SEPAG), Parents as Partners, Stepping Up to the Next Grade, Transition Nights, MS Township Talks Technology, and Family Wellness Night were offered to parents. Title I parent involvement nights are planned at each targeted assistance school.

#### Professional Development Highlights

- Ongoing implementation of an Anti-Bullying Bill of Rights/Harassment, Intimidation, and Bullying (HIB) program, based on mandated legislation, at all K-12 schools.
- Implementation of a comprehensive mentoring plan for novice teachers.
- Ongoing professional development opportunities to meet the New Jersey Student Learning Standards, fulfill the annual 20-hour mandate, enhance the quality of pedagogy, and increase student achievement (K-12).
- Professional development for new teachers to ensure the implementation of the then current Marzano Focused Teacher, Non-Classroom, School Leader, and District Leader evaluation systems (ACHIEVE NJ).
- Implementation of our School Climate Anti-Bullying Program that has training events for students and staff.
- Continued alternative professional development for teachers through Curriculum Newsletters, Screencast Tutorials, and site-based professional development to enhance technology, data driven instruction, and content area initiatives.
- The ongoing partnership with the IDEcorp has helped teachers design special instruction to meet diverse student needs. Teacher volunteers learned strategies for Designing Instruction for Flexible Learning Environments, so students receive high-quality, rigorous learning experiences whether they are in a classroom, at home, or in a hybrid setting.
- Training on standards-based grading and using Schoology to measure student growth was provided.

#### Special Education and Student Services

- Continued to expand instructional materials to include Internet-based for teaching, learning, and progress monitoring.
- Provided a range of professional development opportunities for teachers
- Provided professional development, Grades PSD through 12, in which special education teachers and child study team members work collaboratively to

prepare for annual reviews that included data-based Present Levels of Academic and Functional Performance, analysis of data and listing strengths/needs, and writing measurable goals related to the area of disability.

- Special Education teachers, Grades 3 through 5, continued the implementation of IRLA (Independent Reading Level Assessment) and American Reading Company literacy program. School PACE data management system was used to track progress of goals on the IEPs.
- Prepared for the implementation of Eureka 2 Mathematics program in resource centers and ICR settings Grades K through 5.
- Prepared for the implementation of Eureka 2 Mathematics program in resource centers Grades 6 through 9.
- Implemented Touch Math in all specialized programs, Grades K through 12.
- Special Education and elementary supervisors collaborated to refine standards-based curriculum, standards-based report cards at the elementary level, and differentiated materials to be used in the classroom and remote environment.
- Special Education Supervisors worked special education staff to increase inclusion opportunities for special education students.
- Continued the use of IXL as the district-wide progress monitoring tool in special education for reading, writing, and mathematics at all levels.
- Teachers participated in training on The Dynamic Learning Maps.
- Conducted regular department meetings with school nurses regarding state mandates and District Policies and Regulations.
- NJDOH COVID-19 updates and information were shared with School Nurses, and weekly meetings were scheduled to address questions and concerns.
- Continued the use of the professional development account with the American Speech Language Hearing Association (ASHA) for all speech language specialists within the district to enable all therapists to engage in internet-based professional development while maintaining their CEUs.
- Broadened behavior services through the expansion of the availability of Board-Certified Behavior Analysts (BCBA) in Grades 1 through 12 through Dinovi & Associates. The BCBA's and Clinical Associates work with administration, teachers, classroom assistants and Child Study Team members to support students with behavior plans and students (general and special education) who may need behavioral support through a referral process.
- BCBA's and Clinical Associates provided direct services to special education and general education students. This was especially critical in addressing post-pandemic social emotional needs.
- Provided training for staff on crisis prevention via the Crisis Prevention Institute training platform and a train the trainer model.
- Training was provided to teachers on executive functioning and intervention strategies to assist students (middle level).
- PAES Lab was added at the middle school level. (Prevocational program for students in the multiple disabilities and autism programs.

- Expanded the preschool, elementary and high school autism programs. The District now has 10 autism classes in-district and is projected to have an additional high school autism class and elementary class for the 2022-2023 school year. This will bring the total number of autism classes to 12.
- Expanded in-district specialized programs have led to a reduction in the number of students who receive services in out of district locations.
- Capital project at BHMS to update the facilities that house the life skills program.
- Despite the pandemic, WTPS successfully returned students to Community-Based Instruction outings and the work program.
- A continuum of services and programming exists for Emotional Regulation Impairment Grades 3 through 12. A primary level ERI class is proposed in the 2022-2023 budget.

#### Ongoing and Future Projects:

- Development and implementation of student learning loss initiatives both during the second semester of 2022 and significant initiatives for both students and staff during the summer of 2021. These initiatives will include learning loss experiences for students and curriculum/assessments adjustments/revisions made by our teaching staff. Our directors, supervisors, and school administrators will lead these initiatives.
- The preschool expansion aid has been awarded, and we opened seven classrooms in October of 2021. In order to open additional classrooms at GTECC, Hurffville will need additional space to house their kindergarten population. An ongoing review of how to expand beyond the existing space at GTECC will continue to be explored.
- Development and implementation of supplemental instruction for special education students who have demonstrated limited progress on IEP goals due to the Pandemic. Sessions will begin in April 2021 and continue through the summer months for targets students.
- Implementation of our district strategic plan.
- A 5<sup>th</sup>-year implementation of five (5) Career & Technical Education Academies for our High School: Business and Marketing Management, Business Administration and Finance, Early Childhood Education, Engineering (STEM), and TV Production and Broadcast Journalism. Each is organized as a four-year continuum of targeted career and technical education courses which, when combined with traditional core academic courses, introduce students to the scope, rigor, and discipline to better prepare them for a program of study at a two- or four-year college. The college and career targeted academies allow students to make informed choices about opportunities in high-demand and high-skilled career pathways, which offer an advantage over other students who would be entering a related program of study at the post-secondary level. The Academies also provide for career-related experiences beyond the classroom i.e.

Internships, Mentoring, Job Shadowing, Field Trips, Pipeline Programs, and Summer Training & Enrichment.

- Implementation of the New Jersey Student Learning Standards (NJSLS) with fidelity, all requirements associated with the ACHIEVENJ mandates, and all aspects of preparations needed for district personnel and students to meet the demands of the New Jersey Student Learning Assessments (NJSLA) in ELA, Mathematics, and Science.
- The exploration of a more student-friendly middle schedule that lengthens instructional time, provides more time for teaching ELA, Mathematics, Science, and Social Studies, reduces student passing time, and lengthens PLC experiences for staff.
- Refinement of our implementation high school PRIDE Schedule that lengthened instructional time, maximized students' access to additional courses of study, and created an extended period in the middle of the school day for students' access to enrichment activities, remediation studies, extra-curricular, and co-curricular leadership experiences.
- Implementation of our elementary school schedule to provide expand our departmentalized approach in Grades 3-5.
- Continue support for a dedicated world language teacher to allow for world language instruction to occur in a K-5 Classrooms.
- Improvement of communications with the school community through mass messaging services, a periodic electronic newsletter, social media, and cyber parent events.
- Bolstering positive school climate through implementation of programs that may meet the needs of our K-12 student population.
- The Equity Council established subcommittees to examine district practices, based on evidence, of aspects such as school climate and culture, representational equity, communications and outreach, professional development, and policy.
- The district has created a new full-time position, Director of Diversity, Equity, Inclusion, and Belonging that was Board approved and posted. The position was filled as of August 1, 2021.
- Ongoing refinement of our ELA and Mathematics curricula and benchmark assessments to meet the demands of the New Jersey Student Learning Standards, providing for personalized learning through a robust digital curriculum. Math and English Language Arts curricula reflect the rigor expected in the New Jersey Student Learning Standards (SLS) in preparation for the state standardized assessments.
- Student exposure to informational and technical text across all content areas, requiring well-reasoned responses that cite textual evidence.
- Implementation of electronic data collection walks to assess levels of cultural proficiency, technology infusion, quality of instruction, and quality of assessments in all other content areas. These areas correspond with our professional development goals.

- Growth at the primary level in the expanded purchase and deployment of student iPad devices to differentiate instruction.
- Ongoing professional development related to the integration of technology and web-based tools/assessments to promote student achievement along with state assessment readiness at all levels is being provided to staff ongoing throughout the year.
- Implementation and integration of instructional technologies and web-based applications to provide a more personalized approach to learning for the district's students. More technologies are being leveraged to diagnose students' skill levels in reading and mathematics, monitor their progress, and provide an adaptive learning path based on their individual needs. Professional development experiences have been crafted to support the effective implementation of personalization learning and student monitoring systems, including learning management systems, classroom response systems, the creation of wikis, webpages and blogs, and other production media. With an eye to future workplace and postsecondary challenges, productivity software, such as Office 365, supports students' needs to word process, create spreadsheets, manage databases, and design graphic representations in an environment where they can peer edit and collaborate with others. Specific student experiences include the creation of podcasts, video, online assessments, gamification, and audio/video editing. Our use of technology results in extending learning beyond the barriers of time and space our students learn in microbursts through tablets, laptops, smart phones, and other mobile devices in the style of flipped learning.
- Development and implementation to the Marzano Focused Leader Evaluation Model and the addition of an evaluation tool for supervisors in the iObservation tool.
- Continued implementation of our PLC model at the elementary level. The model utilizes the Plan-Do-Study-Act cycle of improvement. Teachers utilize this format to enhance Tier I instruction and make recommendations for revision and best practice.
- Continued implementation of Apple Classroom in all K-2 classrooms will allow for teachers to monitor and drive instruction using our district iPads.
- Annual professional development relating to the dyslexia mandate to ensure a broader knowledge base of the definition of dyslexia, identification indicators, the district screening process, and the district interventions and efforts to ensure students receive appropriate services.
- Implementation of our online STAR Computerized Testing System/Accelerated Reader program to all students in Grades 1-11 to determine/support student needs, recommend specific targeted interventions, and assess and monitor student progress in reading and mathematics. Exploration of similar programs will take place.
- Continue to provide for a personalized, individualized, evidence-based educational alternative educational service program for high school and middle level nontraditional learners in collaboration with families and our school district.



This is accomplished through an agreement with Ombudsman: An Alternate Route program. Priority goals are high levels of student social, academic, and behavioral growth and achievement.

- Continued support of the implementation of our K-2 ELA programs in readers' and writers' workshop. Professional development, grade level meetings, articulation meetings, and online resources will be offered. Training in reading and writing conferences will support individualized instruction.
- Ongoing refinement of lesson activities and pedagogy to more closely align with the performance expectations of the NJSLA-Science assessments in Grades 5, 8 and 11.
- Ongoing implementation of additional time programs.
- Evening parent involvement programs will include more virtual offerings.
- Ongoing development and implementation of a continuum of instructional programs and student support initiatives to meet the unique needs of our special population students and to support the implementation of in-district specialized program(s) for certain students currently placed in out-of-district settings.
- Implementing monthly site-based data meetings for special education teachers.
- *Dynamic Learning Maps* training for special education teachers.
- Implementation of our Community-Based Instruction Program at all levels.
- Ongoing training for specialized assistants on data management, discrete trial, prompting, role of the special education assistant, data collection and management, prompting, and fading.
- Administrative training by our Solicitor on legal issues in special education and Section 504.
- Home Instruction Services training for Administration and School Counselors.
- Training on FERPA Compliance.
- Implementation of the Consultative model to support students in the LRE.
- Ongoing implementation of behavior services at all levels for general and special education students by incorporating the services of BCBA's and Registered Behavior Consultants.
- Implementation of an integrated preschool model to provide services for general and special education students.
- Expanded resources added to the BD programs at the Middle and High School levels that include two full-time Registered Behavior Techs in each classroom with the close consultation of a site based BCBA.
- Virtual literacy coaching for Resource Center and Self-Contained teachers in Grades 3-5 with a focus on developing a reading culture, using metrics to drive data-based differentiated instruction.
- Professional Development for Special Education Teachers to include writing of goals and objectives and modifications in the IEP. Specific training on co-teaching models.

- Ongoing training on the Sunday Program to provide structured systematic multisensory reading intervention, including virtual applications.
- Ongoing Board Maker / PECS training for Speech Language Therapists and selected special education teachers.
- Classroom Behavior Management training for special education teachers and co-teaching pairs at all levels.
- Ongoing AAC training on the SETT process for speech language therapists.
- Our Data Governance Committee addresses data integrity issues, streamlines the integration of platforms, and identifies critical points of concern.
- Crisis Response training for staff.
- Ongoing support for identified full remote special education students by providing in-home behavior support and resources to increase engagement.

4) ACKNOWLEDGMENTS:

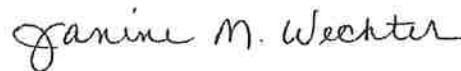
We would like to express our appreciation to the members of the Washington Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and, thereby, contributing their full support to the development and maintenance of our financial 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:



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Joseph N. Bollendorf  
Superintendent



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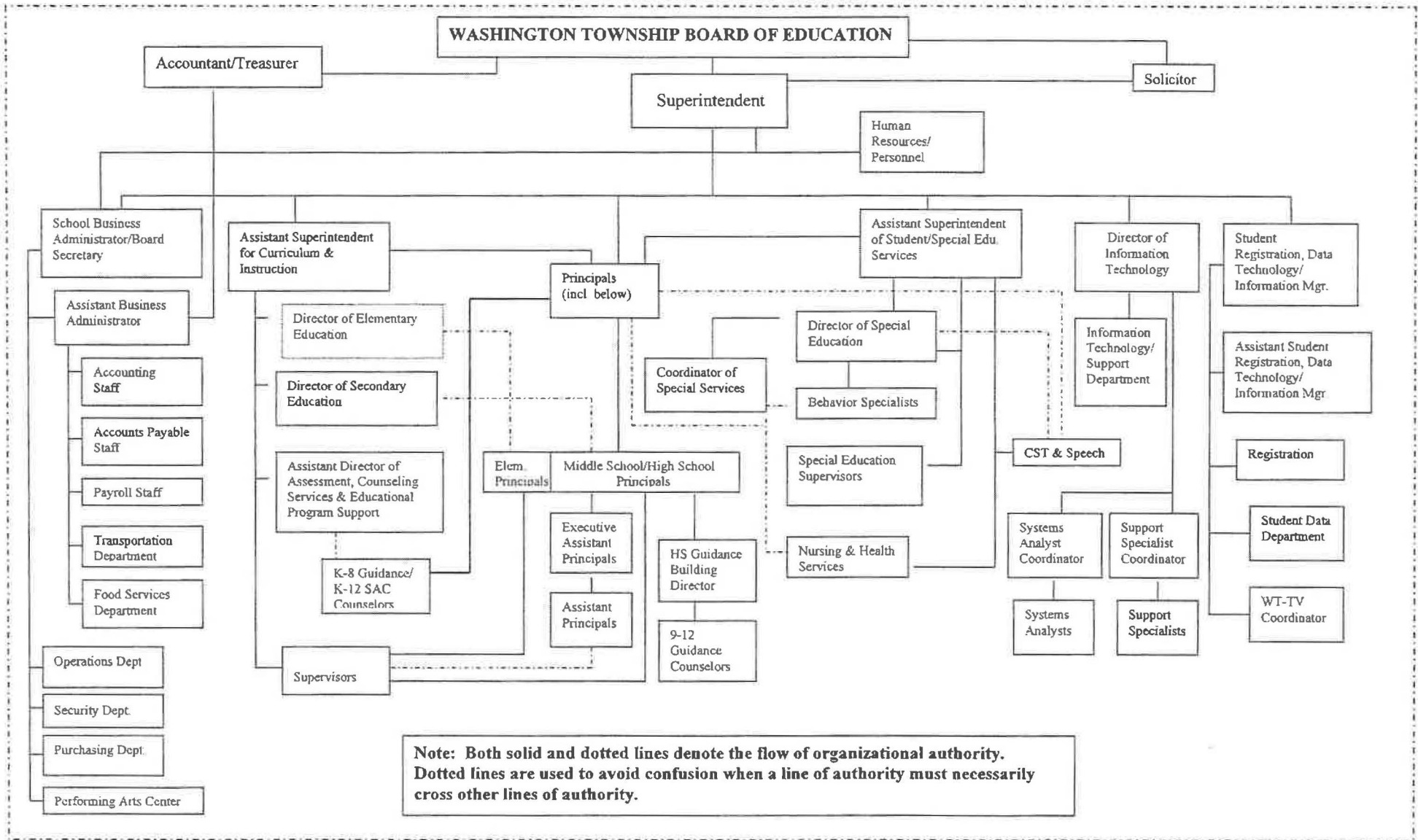
Janine M. Wechter, CPA  
School Business Administrator/  
Board Secretary



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Harold J. Finkle, CPA  
Assistant School Business Administrator

# ORGANIZATIONAL CHART



**Note: Both solid and dotted lines denote the flow of organizational authority. Dotted lines are used to avoid confusion when a line of authority must necessarily cross other lines of authority.**

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON  
SEWELL, NEW JERSEY**

**ROSTER OF OFFICIALS  
June 30, 2021**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Julie Kozempel, President	2023
Shawnequa Carvalho, Vice Pres.	2022
Elayne Clancy	2023
Brian Ellis	2021
Paul Esposito	2021
Kathleen Gallinaro	2023
Stacey DiMeo	2021
Danielle Halpin	2022
Reneè Pollard	2022

**Other Officials**

Joseph N. Bollendorf, Superintendent

Janine M. Wechter, CPA, School Business  
Administrator/Board Secretary

Joseph F. Betley, Esq., Solicitor

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF WASHINGTON**

**Consultants and Advisors**

**June 30, 2021**

**Engineer**

Remington & Vernick  
232 Kings Highway East  
Haddonfield, NJ 08033

**Audit Firm**

Bowman & Company LLP  
601 White Horse Road  
Voorhees, NJ 08043-2492

**Attorney**

Capehart Scatchard  
Laurel Corporate Center  
8000 Midlantic Drive, Suite 300 South  
Mount Laurel, NJ 08054

**Official Depository**

Investors Bank  
301 Greentree Road  
Sewell, NJ 08080

**FINANICAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Washington School District  
County of Gloucester

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the business-type activities and each major fund of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

*Adoption of New Accounting Principle*

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

*Consistency of Financial Statements*

Because of the implementation of GASB Statement No. 84, several funds of the School District that were reported as fiduciary fund types in the prior fiscal year are now reported in governmental activities and governmental fund types. Our opinion is not modified with respect to this matter.

*Prior Period Restatement*

In addition, because of the implementation of GASB Statement No. 84, net position and fund balance as of July 1, 2020 on the statement of activities and statement of revenues, expenditures, and changes in fund balances have been restated, as discussed in note 19 to the financial statements. Our opinion is not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

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

*Other Information*

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



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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2022 on our consideration of the Township of Washington School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Washington School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Washington School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Washington, New Jersey  
March 10, 2022

**Exhibit K-1**

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Washington School District  
County of Gloucester

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated March 10, 2022. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle, and additional paragraphs on the consistency of financial statements and prior period restatement resulting from the new accounting principle.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Washington, New Jersey  
March 10, 2022

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

## TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (Unaudited)

The discussion and analysis of Township of Washington School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element initiated as of June 30, 2003 as part of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2020-21) and the prior year (2019-20) is required to be presented in the MD&A. Prior year fiscal comparative information has not been restated for the implementation of GASBS No. 84 (see note 1, Recently Issued and Adopted Accounting Pronouncements).

#### Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, Net Position increased \$4,818,921 primarily due to the net change in operations.
- General revenues accounted for \$140,826,077 in revenue or 73% of all revenues.
- Total assets of governmental activities increased by \$4,753,413 primarily due increase in capital assets.
- The School District had \$189,005,282 in expenses; \$52,998,126 of these expenses were offset by program-specific charges for services, grants, or contributions.
- Among major funds, the General Fund had \$166,135,188 in revenues, \$162,353,906 in expenditures, and \$2,809,538 in other financing sources. The General Fund's balance increased \$6,590,820 from 2020. The School District appropriated \$10.5 million into the original General Fund budget as tax relief for 2021-2022.

#### Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements, Exhibits A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those types of activities that operate like a business.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

## **TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (Unaudited-Cont'd)**

#### **Overview of the Financial Statements (Cont'd)**

The statements are followed by another section, Part II, which contains required supplementary information that further explains and supports the information in the financial statements including budget schedules, reconciliations, and individual fund statements.

#### **Reporting the School District as a Whole**

##### **Statement of Net Position and the Statement of Activities**

The Statement of Net Position and the Statement of Activities include all assets and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors--some financial and some not. Non-financial factors include the School District's facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business-type activities. Governmental activities are the activities where most of the School District's programs and services are reported, including but not limited to instruction, support services, operation and maintenance of plant, pupil transportation, and special schools.

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

##### **Fund Financial Statements**

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund, Debt Service, and the Capital Projects Fund; the School District has no Permanent Fund.

##### **Governmental Funds**

Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Unaudited-Cont'd)**

**The School District as a Whole**

The Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2021 and 2020.

**TABLE 1  
Net Position**

	<u>2020-21</u>	<u>2019-20</u>	<u>Increase/ (Decrease)</u>
<b>ASSETS:</b>			
Current and Other Assets	\$ 34,808,035	\$ 26,388,326	\$ 8,419,710
Capital Assets, net	85,520,601	89,484,882	(3,964,282)
Total Assets	<u>120,328,636</u>	<u>115,873,208</u>	<u>4,455,428</u>
DEFERRED OUTFLOW OF RESOURCES	<u>5,552,923</u>	<u>7,292,276</u>	<u>(1,739,353)</u>
<b>LIABILITIES:</b>			
Current Liabilities	7,127,548	6,195,238	932,311
Noncurrent Liabilities	57,677,561	64,014,759	(6,337,198)
Total Liabilities	<u>64,805,109</u>	<u>70,209,997</u>	<u>(5,404,888)</u>
DEFERRED INFLOWS OF RESOURCES	<u>15,752,478</u>	<u>14,399,211</u>	<u>1,353,267</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	72,254,013	74,874,791	(2,620,779)
Restricted for:			
Other Purposes	10,732,452	6,935,347	3,797,105
Capital Projects	5,658,701	4,641,072	1,017,629
Unrestricted (Deficit)	<u>(43,321,194)</u>	<u>(47,894,935)</u>	<u>4,573,741</u>
Total Net Position	<u>\$ 45,323,972</u>	<u>\$ 38,556,276</u>	<u>\$ 6,767,696</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Unaudited-Cont'd)**

**The School District as a Whole (Cont'd)**

Table 2 shows a summary of changes in net position for Fiscal Year 2021 and 2020.

**TABLE 2  
Changes in Net Position**

	<u>2020-21</u>	<u>2019-20</u>	<u>Increase/ (Decrease)</u>
<b>Revenues</b>			
Program Revenues			
Charge for Services	\$ 1,337,196	\$ 2,025,272	\$ (688,076)
Operating Grants and Contributions	51,632,564	31,242,895	20,389,669
Capital Grants and Contributions	28,366	27,152	1,214
General Revenues			
Property Taxes Levied for General Purpose, Net	88,688,142	86,949,159	1,738,983
Property Taxes Levied for Debt Service	1,235,838	1,240,300	(4,462)
Federal and State Aid, Not Restricted	49,923,936	49,305,861	618,075
Other	978,161	1,061,561	(83,399)
<b>Total Revenues</b>	<u>193,824,203</u>	<u>171,852,199</u>	<u>21,972,004</u>
<b>Program Expenses</b>			
Governmental Activities			
Instruction	60,510,723	58,851,463	1,659,260
Support Services:			
Tuition	5,766,458	5,887,424	(120,966)
Student and Instruction Related Services	18,253,913	16,832,354	1,421,558
Other Administrative Services	4,459,395	5,890,789	(1,431,394)
School Administrative Services	6,289,498	6,613,155	(323,657)
Plant Operation and Maintenance	16,681,413	12,877,585	3,803,828
Pupil Transportation	5,673,605	5,634,469	39,136
Unallocated Benefits	67,834,982	52,081,659	15,753,324
Transfer to Charter School	124,132	141,915	(17,783)
Interest on Long-term Debt	392,603	646,878	(254,276)
Loss on Disposal of Fixed Assets	172,904	17,437	155,467
<b>Total Expenses - Governmental Activities</b>	<u>186,159,625</u>	<u>165,475,128</u>	<u>20,684,497</u>
Business-Type Activities Net Expenses:			
Food Services	2,420,414	2,809,756	(389,342)
Child Care Program	68,952	116,662	(47,710)
Telecomm	12,685	6,133	6,552
Center for the Performing Arts	261,203	282,836	(21,633)
Drivers' Education	82,402	60,435	21,966
<b>Total Expenses - Business-Type Activities</b>	<u>2,845,657</u>	<u>3,275,823</u>	<u>(430,166)</u>
<b>Change in Net Position</b>	<u>4,818,921</u>	<u>3,101,248</u>	<u>1,717,673</u>
<b>Net Position July 1,</b>	<u>38,556,276</u>	<u>35,455,028</u>	<u>3,101,248</u>
<b>Prior Period Adjustments</b>	<u>1,948,775</u>	<u>-</u>	<u>1,948,775</u>
<b>Net Position June 30,</b>	<u>\$ 45,323,972</u>	<u>\$ 38,556,276</u>	<u>\$ 6,767,696</u>



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Unaudited-Cont'd)**

**Governmental Activities**

Municipal appropriations and state aid made up 98% of revenues for governmental activities for the School District for Fiscal Year 2021.

Instruction comprises 32% of District governmental expenses. Support services expenses make up 67% of the governmental expenses. Interest on Long-Term Debt Service makes up the last 1% of the governmental expenses.

The Statement of Activities shows the cost of the governmental activities program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for Fiscal Year 2021. That is, it identifies the cost of these services supported by general revenues.

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and pupil.

Student and instruction-related services include the activities designed to assess and improve the well-being of students and to supplement the teaching process.

Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

Operation and maintenance of plant activities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school activities.

**TABLE 3**

	<u><b>Total Cost of Services</b></u>	<u><b>Net Cost of Services</b></u>
<b>Instruction</b>	\$ 60,510,723	\$ 57,372,124
<b>Support Services:</b>		
Tuition	5,766,458	5,766,458
Student and Instruction Related Services	18,253,913	15,360,368
Other Administrative Services	4,459,395	4,373,145
School Administrative Services	6,289,498	6,289,498
Plant Operation and Maintenance	16,681,413	16,681,413
Pupil Transportation	5,673,605	5,673,605
Unallocated Benefits	67,834,982	22,637,563
Transfer to Charter School	124,132	124,132
Interest on Long-term Debt	392,603	392,603
Loss on Disposal of Fixed Assets	172,904	172,904
<b>Total Expenses</b>	<u><b>\$ 186,159,625</b></u>	<u><b>\$ 134,843,812</b></u>

## **TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (Unaudited-Cont'd)**

#### **Governmental Activities (Cont'd)**

Business and other support services include activities for support not classified elsewhere, including support services for business activities and support services for central activities.

Employee benefits include the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits, and other employee benefits.

The dependence upon municipal appropriations and state aid is apparent. The local communities and the state are the primary support for the Township of Washington School District.

#### **The School District's Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. All Governmental funds had total revenues of \$172,412,169, expenditures of \$169,561,955, and other financing sources of \$3,169,971. The net change in fund balance for the year in the Governmental funds had an increase of \$6,020,186.

#### **General Fund Budgeting Highlights**

The School District's budget is prepared in accordance with New Jersey law. The most significant budgeted fund is the General Fund.

During the course of the 2021 fiscal year, the School District modified its General Fund budget numerous times.

For the General Fund, the final budget basis revenue estimate was \$136,485,495 that is the same as the original estimate.

During fiscal year 2021, the School District budgeted \$88,688,142 and \$46,909,812 for municipal appropriations and state aid revenues, respectively. The School District also received \$4,341,006 in reimbursed TPAF Social Security aid, and \$21,319,371 in reimbursed TPAF, long-term disability insurance and post-retirement health benefits. This has resulted in a favorable revenue variance.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Unaudited-Cont'd)**

**Capital Assets**

Table 4 shows a summary of the fiscal year 2021 and 2020 balances.

**TABLE 4  
Capital Assets (Net of Depreciation)  
Governmental Activities**

	<u>2020-21</u>	<u>2019-20</u>
Land	\$ 5,590,700	\$ 5,590,700
Land Improvements	2,972,278	3,264,320
Construction in Progress	512,659	2,636,085
Buildings and Improvements	69,302,127	71,099,566
Furniture and Equipment	6,827,509	6,556,759
Totals	<u>\$ 85,205,273</u>	<u>\$ 89,147,430</u>

Overall capital assets decreased \$3,942,157 from fiscal year 2020 to fiscal year 2021.

**Debt Administration**

The School District receives state aid and municipal tax levy funds for the payment of debt.

**Current Financial Issues and Concerns**

The School District has a long record of financial stability. Despite unpredictable funding from the State of New Jersey, the School District manages to provide an excellent educational opportunity for all the School District students. This has been accomplished through increases in the local tax levy. The School District's General Fund budget has grown steadily over the past five years. This has resulted primarily from the increase in fixed costs such as labor, employee benefits and utilities.

**Contacting the School District's Financial Management**

These financial reports are designed to provide our citizens, taxpayers, and creditors with a general overview of the School District's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Janine M. Wechter, Secretary to the Board of Education and School Business Administrator at: Township of Washington Board of Education, 206 East Holly Avenue, Sewell, New Jersey 08080.

**BASIC FINANCIAL STATEMENTS**

**Government-Wide Financial Statements**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 24,707,979.49	\$ 1,630,787.38	\$ 26,338,766.87
Cash with Fiscal Agents	662,516.28		662,516.28
Internal Balances	1,739,959.45	(1,739,959.45)	
Accounts Receivable	5,941,903.20	187,083.05	6,128,986.25
Inventory		70,412.22	70,412.22
Restricted Assets:			
Cash and Cash Equivalents	1,607,353.60		1,607,353.60
Capital Assets, net	<u>85,205,273.16</u>	<u>315,327.48</u>	<u>85,520,600.64</u>
Total Assets	<u>119,864,985.18</u>	<u>463,650.68</u>	<u>120,328,635.86</u>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Loss on Refunding of Debt	443,342.92		443,342.92
Related to Pensions	<u>5,109,580.00</u>		<u>5,109,580.00</u>
Total Deferred Outflow of Resources	<u>5,552,922.92</u>	<u>-</u>	<u>5,552,922.92</u>
<b>LIABILITIES:</b>			
Accounts Payable:			
Other	2,486,868.28	34,734.31	2,521,602.59
Related to Pensions	2,201,111.00		2,201,111.00
Accrued Salaries and Benefits	711,576.67	16,108.16	727,684.83
Other Current Liabilities	1,313,644.49	66,915.61	1,380,560.10
Unearned Revenue	253,260.01	43,329.79	296,589.80
Noncurrent Liabilities:			
Due within One Year	5,111,726.85	11,993.32	5,123,720.17
Due beyond One Year	<u>52,445,900.94</u>	<u>107,939.85</u>	<u>52,553,840.79</u>
Total Liabilities	<u>64,524,088.24</u>	<u>281,021.04</u>	<u>64,805,109.28</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions	<u>15,752,478.00</u>	<u>-</u>	<u>15,752,478.00</u>
Total Deferred Inflows of Resources	<u>15,752,478.00</u>	<u>-</u>	<u>15,752,478.00</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	71,938,685.05	315,327.48	72,254,012.53
Restricted for:			
Debt Service	0.50		0.50
Advertising	20,608.61		20,608.61
Excess Surplus	8,709,153.43		8,709,153.43
Unemployment Compensation	1,464,948.57		1,464,948.57
Capital Projects	5,658,701.11		5,658,701.11
Student Activities	415,925.03		415,925.03
Scholarships	121,815.76		121,815.76
Unrestricted (Deficit)	<u>(43,188,496.20)</u>	<u>(132,697.84)</u>	<u>(43,321,194.04)</u>
Total Net Position	<u>\$ 45,141,341.86</u>	<u>\$ 182,629.64</u>	<u>\$ 45,323,971.50</u>

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2021

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 41,983,738.83		\$ 2,113,633.33	\$ 28,366.16	\$ (39,841,739.34)		\$ (39,841,739.34)
Special Education	12,546,188.61	\$ 996,599.01			(11,549,589.60)		(11,549,589.60)
Other Special Instruction	3,486,418.26				(3,486,418.26)		(3,486,418.26)
Other Instruction	2,494,377.14				(2,494,377.14)		(2,494,377.14)
Support Services:							
Tuition	5,766,458.05				(5,766,458.05)		(5,766,458.05)
Student and Instruction Related Services	18,253,912.65		2,893,545.03		(15,360,367.62)		(15,360,367.62)
Other Administrative Services	4,459,395.20	86,250.58			(4,373,144.62)		(4,373,144.62)
School Administrative Services	6,289,497.99				(6,289,497.99)		(6,289,497.99)
Plant Operations and Maintenance	16,681,412.82				(16,681,412.82)		(16,681,412.82)
Pupil Transportation	5,673,604.75				(5,673,604.75)		(5,673,604.75)
Personal Services - Employee Benefits	67,834,982.19		45,197,418.72		(22,637,563.47)		(22,637,563.47)
Transfer of Funds to Charter School	124,132.00				(124,132.00)		(124,132.00)
Interest on Long-Term Debt	392,602.52				(392,602.52)		(392,602.52)
Loss on Disposal of Capital Assets	172,904.00				(172,904.00)		(172,904.00)
<b>Total Governmental Activities</b>	<b>186,159,625.01</b>	<b>1,082,849.59</b>	<b>50,204,597.08</b>	<b>28,366.16</b>	<b>(134,843,812.18)</b>	<b>\$ -</b>	<b>(134,843,812.18)</b>
<b>Business-Type Activities:</b>							
Food Service	2,420,414.46	16,996.42	1,427,966.44			(975,451.60)	(975,451.60)
Child Care Program	68,952.30	33,611.20				(35,341.10)	(35,341.10)
Telecomm	12,685.30	8,825.00				(3,860.30)	(3,860.30)
Center for the Performing Arts	261,202.97	116,263.76				(144,939.21)	(144,939.21)
Drivers Education	82,401.64	78,650.00				(3,751.64)	(3,751.64)
<b>Total Business-Type Activities</b>	<b>2,845,656.67</b>	<b>254,346.38</b>	<b>1,427,966.44</b>	<b>-</b>	<b>-</b>	<b>(1,163,343.85)</b>	<b>(1,163,343.85)</b>
<b>Total Government</b>	<b>\$ 189,005,281.68</b>	<b>\$ 1,337,195.97</b>	<b>\$ 51,632,563.52</b>	<b>\$ 28,366.16</b>	<b>(134,843,812.18)</b>	<b>(1,163,343.85)</b>	<b>(136,007,156.03)</b>
<b>General Revenues and Transfers:</b>							
Property Taxes:							
Levied for General Purposes					88,688,142.00		88,688,142.00
Levied for Debt Service					1,235,838.00		1,235,838.00
Federal and State Aid - Unrestricted					49,923,935.80		49,923,935.80

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2021

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Revenues and Transfers (Cont'd):							
Interest and Investment Earnings - Unrestricted					\$ 138,943.56	\$ 6,428.42	\$ 145,371.98
Interest and Investment Earnings - Restricted					11,330.23		11,330.23
Miscellaneous					821,459.28		821,459.28
Transfers					(813,596.70)	813,596.70	
Total General Revenues and Transfers					140,006,052.17	820,025.12	140,826,077.29
Change in Net Position					5,162,239.99	(343,318.73)	4,818,921.26
Net Position, July 1					38,030,327.30	525,948.37	38,556,275.67
Prior Period Adjustments (Note 19)					1,948,774.57		1,948,774.57
Net Position, July 1 (Restated)					39,979,101.87	525,948.37	40,505,050.24
Net Position, June 30					\$ 45,141,341.86	\$ 182,629.64	\$ 45,323,971.50

The accompanying notes to financial statements are an integral part of this statement.

**BASIC FINANCIAL STATEMENTS**

**Fund Financial Statements**



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 24,167,295.10	\$ 540,683.89	\$ 1,607,353.60	\$ 0.50	\$ 26,315,333.09
Cash with Fiscal Agents	662,516.28				662,516.28
Interfunds Account Receivable:					
Special Revenue Fund	1,091,680.61				1,091,680.61
Capital Projects Fund	186,653.65				186,653.65
Food Service Fund	999,277.00				999,277.00
Center for the Performing Arts	744,384.45				744,384.45
Intergovernmental Accounts Receivable:					
Federal		1,502,734.47			1,502,734.47
State	4,078,489.75				4,078,489.75
Other	260,591.75	29,005.41			289,597.16
Other Accounts Receivable	71,081.82				71,081.82
<b>Total Assets</b>	<u><u>\$ 32,261,970.41</u></u>	<u><u>\$ 2,072,423.77</u></u>	<u><u>\$ 1,607,353.60</u></u>	<u><u>\$ 0.50</u></u>	<u><u>\$ 35,941,748.28</u></u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Interfunds Account Payable:					
General Fund		\$ 1,091,680.61	\$ 186,653.65		\$ 1,278,334.26
Internal Service Fund	\$ 3,702.00				3,702.00
Intergovernmental Accounts Payable:					
State		80,776.65			80,776.65
Accounts Payable:					
Other	1,892,223.44	65,473.10	422,715.09		2,380,411.63
Deposits Payable	25,680.00				25,680.00
Payroll Deductions and Withholdings Payable	713,979.54				713,979.54
Unemployment Compensation Claims Payable	136,741.15				136,741.15
Other Current Liabilities	462,923.80				462,923.80
Accrued Salaries and Benefits	656,159.06	55,417.61			711,576.67
Unearned Revenue	11,925.00	241,335.01			253,260.01
<b>Total Liabilities</b>	<u>3,903,333.99</u>	<u>1,534,682.98</u>	<u>609,368.74</u>	<u>\$ -</u>	<u>6,047,385.71</u>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	4,660,716.25				4,660,716.25
Excess Surplus	8,709,153.43				8,709,153.43
School Bus Advertising Revenue	20,608.61				20,608.61
Capital Projects			997,984.86		997,984.86
Debt Service				0.50	0.50
Unemployment Compensation	1,464,948.57				1,464,948.57
Scholarships		121,815.76			121,815.76
Student Activities		415,925.03			415,925.03
Committed	662,516.28				662,516.28
<b>Assigned:</b>					
Other Purposes	1,086,125.92				1,086,125.92
Designated for Subsequent Year's Expenditures	3,891,020.07				3,891,020.07
Unassigned	7,863,547.29				7,863,547.29
<b>Total Fund Balances</b>	<u>28,358,636.42</u>	<u>537,740.79</u>	<u>997,984.86</u>	<u>0.50</u>	<u>29,894,362.57</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 32,261,970.41</u>	<u>\$ 2,072,423.77</u>	<u>\$ 1,607,353.60</u>	<u>\$ 0.50</u>	

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2021

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$189,325,145.43, and the accumulated depreciation is \$104,119,872.27.	\$ 85,205,273.16
Deferred outflows and deferred inflows related to loss on refunding of debt and pensions represents the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements.	(2,548,992.08)
Accounts payable related to pensions are not liquidated with current financial resources; therefore, such amounts are not recorded in the fund financial statements.	(2,201,111.00)
Long-term liabilities, including bonds and purchase agreements payable, pension liability, and compensated absences payable are not due and payable in the current period and therefore are not reported in the funds.	<u>(65,208,190.79)</u>
Net Position of Governmental Activities	<u><u>\$ 45,141,341.86</u></u>

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Local Property Tax Levy	\$ 88,688,142.00			\$ 1,235,838.00	\$ 89,923,980.00
Tuition Charges	996,599.01				996,599.01
Restricted Miscellaneous Revenues	5,731.38		\$ 5,598.85		11,330.23
Unrestricted Miscellaneous Revenues	960,402.84				960,402.84
Federal Sources	336,978.80	\$ 3,854,504.54			4,191,483.34
State Sources	75,147,333.72	17,714.86			75,165,048.58
Local Sources		1,163,325.12			1,163,325.12
<b>Total Revenues</b>	<b>166,135,187.75</b>	<b>5,035,544.52</b>	<b>5,598.85</b>	<b>1,235,838.00</b>	<b>172,412,169.12</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	41,654,864.49	2,113,633.33			43,768,497.82
Special Education Instruction	12,500,220.43				12,500,220.43
Other Special Instruction	3,498,587.99				3,498,587.99
Other Instruction	2,488,297.25				2,488,297.25
<b>Support Services and Undistributed Costs:</b>					
Tuition	5,766,458.05				5,766,458.05
Student and Instruction Related Services	15,483,231.98	2,845,361.62			18,328,593.60
Other Administrative Services	4,300,282.46				4,300,282.46
School Administrative Services	6,286,509.00				6,286,509.00
Plant Operations and Maintenance	12,174,654.26				12,174,654.26
Pupil Transportation	5,788,061.32				5,788,061.32
Unallocated Employee Benefits	50,323,263.37				50,323,263.37
Capital Outlay	1,965,343.55	28,366.16	984,849.80		2,978,559.51
Transfer of Funds to Charter Schools	124,132.00				124,132.00

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2021

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES (CONT'D):					
Debt Service:					
Principal				\$ 880,000.00	\$ 880,000.00
Interest and Other Charges				355,837.50	355,837.50
Total Expenditures	\$ 162,353,906.15	\$ 4,987,361.11	\$ 984,849.80	1,235,837.50	169,561,954.56
Excess (Deficiency) of Revenues over Expenditures	3,781,281.60	48,183.41	(979,250.95)	0.50	2,850,214.56
OTHER FINANCING SOURCES (USES):					
Proceeds from Purchasing Agreements	3,983,568.00				3,983,568.00
Transfers	(1,174,029.65)		360,432.95		(813,596.70)
Total Other Financing Sources and Uses	2,809,538.35	-	360,432.95	-	3,169,971.30
Net Change in Fund Balances	6,590,819.95	48,183.41	(618,818.00)	0.50	6,020,185.86
Fund Balance, July 1	20,308,599.28		1,616,802.86		21,925,402.14
Prior Period Adjustment (Note 19)	1,459,217.19	489,557.38			1,948,774.57
Fund Balance, July 1, Restated	21,767,816.47	489,557.38	1,616,802.86	-	23,874,176.71
Fund Balance, June 30	\$ 28,358,636.42	\$ 537,740.79	\$ 997,984.86	\$ 0.50	\$ 29,894,362.57

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2021

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - Governmental Funds		\$ 6,020,185.86
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (6,747,812.30)	
Capital Outlays	<u>2,978,559.51</u>	
		(3,769,252.79)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, transfers, and donations).</p>		
		(172,904.00)
<p>The revenues and expenses of the internal service fund are not recognized in the governmental funds but are included as governmental activities on the statement of activities.</p>		
		(2,005.42)
<p>The issuance of long-term debt (e.g., bonds, purchase agreements, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are expensed in a systematic and rational manner over the duration of the related debt in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		1,251,664.76
<p>In the statement of activities, certain operating expenses, (e.g., pensions, compensated absences and interest on debt), are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of these differences in the treatment of these items.</p>		
		<u>1,834,551.58</u>
Change in Net Position of Governmental Activities		<u>\$ 5,162,239.99</u>

The accompanying notes to financial statements are an integral part of this statement.

## TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Proprietary Funds  
Statement of Net Position  
June 30, 2021

	Business-Type Activities - Enterprise Funds						Governmental Activities -
	Food Service	Child Care Program	Telecomm	Center for the Performing Arts	Drivers Education	Total	Internal Service Fund
ASSETS:							
Current Assets:							
Cash and Cash Equivalents	\$ 652,449.65	\$ 103,886.57	\$ 15,556.43	\$ 691,294.05	\$ 167,600.68	\$ 1,630,787.38	
Interfund Accounts Receivable:							
General Fund							\$ 3,702.00
Center for the Performing Arts	3,600.00		20,970.00			24,570.00	
Intergovernmental Accounts Receivable:							
Federal	129,447.02					129,447.02	
State	6,858.99					6,858.99	
Other Accounts Receivable	7,589.81			43,187.23		50,777.04	
Inventories	70,412.22					70,412.22	
Total Current Assets	870,357.69	103,886.57	36,526.43	734,481.28	167,600.68	1,912,852.65	3,702.00
Noncurrent Assets:							
Machinery and Equipment	1,363,520.62	37,999.90	15,067.21	173,668.09	48,725.01	1,638,980.83	
Less: Accumulated Depreciation	(1,133,060.01)	(18,396.21)	(5,140.93)	(137,618.21)	(29,437.99)	(1,323,653.35)	
Total Machinery and Equipment (Net of Accumulated Depreciation)	230,460.61	19,603.69	9,926.28	36,049.88	19,287.02	315,327.48	-
Total Noncurrent Assets	230,460.61	19,603.69	9,926.28	36,049.88	19,287.02	315,327.48	-
Total Assets	1,100,818.30	123,490.26	46,452.71	770,531.16	186,887.70	2,228,180.13	3,702.00

(Continued)

## TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Proprietary Funds  
Statement of Net Position  
June 30, 2021

	Business-Type Activities - Enterprise Funds						Governmental Activities -
	Food Service	Child Care Program	Telecomm	Center for the Performing Arts	Drivers Education	Total	Internal Service Fund
LIABILITIES:							
Current Liabilities:							
Accounts Payable:	\$ 27,892.30	\$ 1,705.93		\$ 1,401.18	\$ 32.90	\$ 31,032.31	\$ 2,600.00
Interfund Accounts Payable:							
General Fund	999,277.00			744,384.45		1,743,661.45	
Food Service Fund				3,600.00		3,600.00	
Telecomm Fund				20,970.00		20,970.00	
Accrued Salaries and Benefits		1,772.26	\$ 4,859.00		9,476.90	16,108.16	1,102.00
Customer Deposits Payable				66,915.61		66,915.61	
Compensated Absences Payable	9,627.94			2,365.38		11,993.32	
Unearned Revenue	43,154.79				175.00	43,329.79	
Total Current Liabilities	<u>1,079,952.03</u>	<u>3,478.19</u>	<u>4,859.00</u>	<u>839,636.62</u>	<u>9,684.80</u>	<u>1,937,610.64</u>	<u>3,702.00</u>
Noncurrent Liabilities:							
Compensated Absences Payable	<u>86,651.46</u>	<u>-</u>	<u>-</u>	<u>21,288.39</u>	<u>-</u>	<u>107,939.85</u>	<u>-</u>
Total Liabilities	<u>1,166,603.49</u>	<u>3,478.19</u>	<u>4,859.00</u>	<u>860,925.01</u>	<u>9,684.80</u>	<u>2,045,550.49</u>	<u>3,702.00</u>
NET POSITION:							
Net Investment in Capital Assets	230,460.61	19,603.69	9,926.28	36,049.88	19,287.02	315,327.48	
Unrestricted (Deficit)	<u>(296,245.80)</u>	<u>100,408.38</u>	<u>31,667.43</u>	<u>(126,443.73)</u>	<u>157,915.88</u>	<u>(132,697.84)</u>	
Total Net Position	<u>\$ (65,785.19)</u>	<u>\$ 120,012.07</u>	<u>\$ 41,593.71</u>	<u>\$ (90,393.85)</u>	<u>\$ 177,202.90</u>	<u>\$ 182,629.64</u>	<u>\$ -</u>

The accompanying notes to financial statements are an integral part of this statement.



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>						<u>Governmental Activities -</u>
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>	<u>Internal Service Fund</u>
<b>OPERATING REVENUES:</b>							
Charges for Services:							
Special Functions	\$ 15,293.25					\$ 15,293.25	
Tuition		\$ 33,611.20				33,611.20	
Other Activity Income			\$ 8,825.00			8,825.00	
Admissions				\$ 75,424.04		75,424.04	
Rentals				40,470.00		40,470.00	
Registrations					\$ 78,650.00	78,650.00	
Miscellaneous	1,703.17			369.72		2,072.89	
Services Provided to Other Funds							\$ 86,250.58
<b>Total Operating Revenues</b>	<b>16,996.42</b>	<b>33,611.20</b>	<b>8,825.00</b>	<b>116,263.76</b>	<b>78,650.00</b>	<b>254,346.38</b>	<b>86,250.58</b>
<b>OPERATING EXPENSES:</b>							
Salaries	1,017,422.73	61,478.83	11,517.50	145,785.70	69,525.00	1,305,729.76	5,434.00
Support Services - Employee Benefits	768,161.46					768,161.46	
Purchased Professional/Technical Services	469.00	767.06		6,495.04		7,731.10	
Purchased Property Services	27,569.46			43,214.13	5,439.21	76,222.80	
Other Purchased Services	7,756.99			12,788.97	850.00	21,395.96	
Supplies and Materials	55,421.69	5,106.11		6,180.27	496.80	67,204.87	82,822.00
Depreciation	22,806.33	1,600.30	1,167.80	9,590.04	6,090.63	41,255.10	
Cost of Sales - Reimbursable Program	498,218.76					498,218.76	
Cost of Sales - Nonreimbursable Program	820.98					820.98	
Miscellaneous	21,767.06			37,148.82		58,915.88	
<b>Total Operating Expenses</b>	<b>2,420,414.46</b>	<b>68,952.30</b>	<b>12,685.30</b>	<b>261,202.97</b>	<b>82,401.64</b>	<b>2,845,656.67</b>	<b>88,256.00</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds						Governmental Activities -
	Food Service	Child Care Program	Telecomm	Center for the Performing Arts	Drivers Education	Total	Internal Service Fund
Operating Income (Loss)	\$ (2,403,418.04)	\$ (35,341.10)	\$ (3,860.30)	\$ (144,939.21)	\$ (3,751.64)	\$ (2,591,310.29)	\$ (2,005.42)
NONOPERATING REVENUES (EXPENSES):							
State Sources:							
State School Lunch Program	47,493.88					47,493.88	
Federal Sources:							
National School Breakfast Program	428,394.15					428,394.15	
National School Lunch Program	861,580.70					861,580.70	
Emergency Operational Costs Program	5,293.76					5,293.76	
Food Distribution Program	85,203.95					85,203.95	
Interest and Investment Revenue	3,691.06			2,737.36		6,428.42	
Total Nonoperating Revenues (Expenses)	1,431,657.50	-	-	2,737.36	-	1,434,394.86	-
Income (Loss) before Transfers	(971,760.54)	(35,341.10)	(3,860.30)	(142,201.85)	(3,751.64)	(1,156,915.43)	(2,005.42)
TRANSFERS:							
Board Contribution	813,596.70	-	-	-	-	813,596.70	-
Change in Net Position	(158,163.84)	(35,341.10)	(3,860.30)	(142,201.85)	(3,751.64)	(343,318.73)	(2,005.42)
Net Position (Deficit), July 1	92,378.65	155,353.17	45,454.01	51,808.00	180,954.54	525,948.37	2,005.42
Net Position (Deficit), June 30	\$ (65,785.19)	\$ 120,012.07	\$ 41,593.71	\$ (90,393.85)	\$ 177,202.90	\$ 182,629.64	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds						Governmental Activities -
	Food Service	Child Care Program	Telecomm	Center for the Performing Arts	Drivers Education	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Receipts from Customers and Users	\$ 19,331.76	\$ 33,611.20	\$ 6,325.00	\$ 83,076.53	\$ 78,200.00	\$ 220,544.49	\$ 86,250.58
Payments to Suppliers	(811,802.06)	(4,167.24)		(6,062.05)	(7,522.89)	(829,554.24)	(88,003.92)
Payments to Employees	(1,801,391.87)	(59,807.32)	(6,658.50)	(141,560.04)	(62,991.10)	(2,072,408.83)	(5,053.50)
Net Cash Provided by (Used for) Operating Activities	<u>(2,593,862.17)</u>	<u>(30,363.36)</u>	<u>(333.50)</u>	<u>(64,545.56)</u>	<u>7,686.01</u>	<u>(2,681,418.58)</u>	<u>(6,806.84)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
Federal Sources	1,275,347.30					1,275,347.30	
State Sources	40,870.40					40,870.40	
Operating Subsidies	813,596.70					813,596.70	3,828.37
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>2,129,814.40</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,129,814.40</u>	<u>3,828.37</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Purchases of Capital Assets	<u>(21,479.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,479.00)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Interest and Dividends Received	<u>3,691.06</u>	<u>-</u>	<u>-</u>	<u>2,737.36</u>	<u>-</u>	<u>6,428.42</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(481,835.71)</u>	<u>(30,363.36)</u>	<u>(333.50)</u>	<u>(61,808.20)</u>	<u>7,686.01</u>	<u>(566,654.76)</u>	<u>(2,978.47)</u>
Cash and Cash Equivalents, July 1	<u>1,134,285.36</u>	<u>134,249.93</u>	<u>15,889.93</u>	<u>753,102.25</u>	<u>159,914.67</u>	<u>2,197,442.14</u>	<u>2,978.47</u>
Cash and Cash Equivalents, June 30	<u>\$ 652,449.65</u>	<u>\$ 103,886.57</u>	<u>\$ 15,556.43</u>	<u>\$ 691,294.05</u>	<u>\$ 167,600.68</u>	<u>\$ 1,630,787.38</u>	<u>\$ -</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds						Governmental Activities -
	Food Service	Child Care Program	Telecomm	Center for the Performing Arts	Drivers Education	Total	Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating Income (Loss)	\$ (2,403,418.04)	\$ (35,341.10)	\$ (3,860.30)	\$ (144,939.21)	\$ (3,751.64)	\$ (2,591,310.29)	\$ (2,005.42)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:							
Depreciation	22,806.33	1,600.30	1,167.80	9,590.04	6,090.63	41,255.10	
Loss on Disposal of Capital Assets	2,348.65					2,348.65	
(Increase) Decrease in Other Accounts Receivable	(1,734.37)			(33,187.23)		(34,921.60)	
(Increase) Decrease in Inventories	(25,602.78)					(25,602.78)	
Increase (Decrease) in Accounts Payable	20,857.26	1,705.93		14,703.12	(736.88)	36,529.43	2,348.45
Increase (Decrease) in Interfund Accounts Payable	(197,381.25)		(2,500.00)	85,062.06		(114,819.19)	(7,530.37)
Increase (Decrease) in Accrued Salaries and Benefits		1,671.51	4,859.00		6,533.90	13,064.41	380.50
Increase (Decrease) in Unearned Revenue	4,069.71				(450.00)	3,619.71	
Increase (Decrease) in Compensated Absences Payable	(15,807.68)			4,225.66		(11,582.02)	
Total Adjustments	(190,444.13)	4,977.74	3,526.80	80,393.65	11,437.65	(90,108.29)	(4,801.42)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (2,593,862.17)</u>	<u>\$ (30,363.36)</u>	<u>\$ (333.50)</u>	<u>\$ (64,545.56)</u>	<u>\$ 7,686.01</u>	<u>\$ (2,681,418.58)</u>	<u>\$ (6,806.84)</u>

The accompanying notes to financial statements are an integral part of this statement.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2021

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

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

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 12 through at its eleven schools. The School District has an approximate enrollment at June 30, 2021 of 6,987.

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

**Government-wide and Fund Financial Statements**

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Government-wide and Fund Financial Statements (Cont'd)**

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

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

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

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

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

The School District reports the following major governmental funds:

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

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

The School District reports the following major governmental funds (cont'd):

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

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

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

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

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

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries, benefits, administrative expenses, and claims paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Enterprise Funds**

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

**Child Care Program Fund** - This fund accounts for financial activity related to providing day care services for School District employee's children during school.

**Telecommunications Fund** - This fund accounts for a student run enterprise.

**Center for Performing Arts Fund** - This fund accounts for the financial activity related to performances at the School District's Center for the Performing Arts.

**Drivers Education** - This fund accounts for financial activities related to providing driver's education for students.

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

The School District reports the following major proprietary funds (cont'd):

**Internal Service Funds**

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The School District maintains an internal service fund that provides the School District with paper supplies and printing services.

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

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

**Budgets / Budgetary Control**

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

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

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

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



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

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

**Encumbrances**

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

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

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

**Cash, Cash Equivalents and Investments**

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

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

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

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

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

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

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

**Tuition Receivable**

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

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2021. The School District had no prepaid expenses for the fiscal year ended June 30, 2021.

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

**Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

**Capital Assets**

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	15 Years
Buildings and Improvements	3 - 15 Years
Equipment	3 - 15 Years

The School District does not possess any infrastructure assets.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Deferred Outflows of Resources and Deferred Inflows of Resources**

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

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

**Tuition Payable**

Tuition charges for the fiscal years ended June 30, 2021 and 2020 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**Unearned Revenue**

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

**Compensated Absences**

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

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

**Accrued Liabilities and Long-Term Obligations**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**Net Position**

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

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

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

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

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

**Fund Balance**

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

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

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

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

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

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

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

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

**Interfund Activity**

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

**Accounting Estimates**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statement for the fiscal year ended June 30, 2021:

Statement No. 84, *Fiduciary Activities*. The primary objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

Because of the implementation of Statement No. 84, the School District has determined that certain activities that were previously reported in the fiduciary fund now meet the criteria for reporting as governmental activities. As a result, net position and certain fund balances reported as of July 1, 2020 have been restated (note 19).

**Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2021:

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2022. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

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

As of June 30, 2021, the School District's bank balances totaling \$31,585,305.90 were exposed to custodial credit risk as follows: \$28,907,396.89 was insured by FDIC and GUDPA, and \$2,677,909.01 was uninsured and uncollateralized.

**Note 2: CASH AND CASH EQUIVALENTS (CONT'D)**

**New Jersey Cash Management Fund** - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2021, the School District's deposits with the New Jersey Cash Management Fund were \$123.48.

**Held in Trust** - The School District has entered into purchase agreements with several banking institutions for the acquisition of equipment and supplies. In accordance with the requirements of the purchase agreements, the acquisition amount of the equipment and supplies is to be deposited into an escrow account under terms satisfactory to the lending bank. These escrow accounts are opened for the purpose of fully funding the purchase agreement and providing a mechanism for the application of such amounts to the purchase of and payment for the equipment and supplies. Deposits held in trust of the School District are not subject to custodial credit risk as defined above. At June 30, 2021, the School District's deposits held in trust were \$711,679.60.

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District by inclusion of \$1.00 on November 20, 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

Beginning Balance, July 1, 2020		\$ 3,024,269.00
Increased by:		
Interest Earnings	\$ 2,479.05	
Deposits:		
Board Resolution 06/29/21	<u>2,000,000.00</u>	
		<u>2,002,479.05</u>
		5,026,748.05
Decreased by:		
Withdrawals:		
Board Resolution 06/29/21		<u>366,031.80</u>
Ending Balance, June 30, 2021		<u><u>\$ 4,660,716.25</u></u>

The June 30, 2021 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2021 consisted of various accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

<u>Fund</u>	<u>Accounts Receivable Type</u>					<u>Total Government- Wide</u>
	<u>Federal Awards</u>	<u>State Awards</u>	<u>Local Awards</u>	<u>Tuition</u>	<u>Other</u>	
Governmental Activities:						
General		\$ 4,078,489.75		\$ 260,591.75	\$ 71,081.82	\$ 4,410,163.32
Special Revenue	\$ 1,502,734.47		\$ 29,005.41			1,531,739.88
Total Governmental Activities	<u>1,502,734.47</u>	<u>4,078,489.75</u>	<u>29,005.41</u>	<u>260,591.75</u>	<u>71,081.82</u>	<u>5,941,903.20</u>
Business-Type Activities (Enterprise Funds):						
Food Service	129,447.02	6,858.99			7,589.81	143,895.82
Center for Performing Arts					43,187.23	43,187.23
Total Business-Type Activities	<u>129,447.02</u>	<u>6,858.99</u>	<u>-</u>	<u>-</u>	<u>50,777.04</u>	<u>187,083.05</u>
Total Accounts Receivable	<u>\$ 1,632,181.49</u>	<u>\$ 4,085,348.74</u>	<u>\$ 29,005.41</u>	<u>\$ 260,591.75</u>	<u>\$ 121,858.86</u>	<u>\$ 6,128,986.25</u>

**Note 5: INVENTORY**

Inventory recorded at June 30, 2021 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 59,432.51
Supplies	<u>10,979.71</u>
	<u>\$ 70,412.22</u>



**Note 6: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2021 is as follows:

	<u>Balance July 1, 2020</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Balance June 30, 2021</u>
<b>Governmental Activities:</b>					
Capital Assets, not being Depreciated:					
Land	\$ 5,590,700.00				\$ 5,590,700.00
Construction in Progress	2,636,085.24	\$ 984,849.80	\$ (3,108,276.33)		512,658.71
Total Capital Assets, not being Depreciated	<u>8,226,785.24</u>	<u>984,849.80</u>	<u>(3,108,276.33)</u>	<u>-</u>	<u>6,103,358.71</u>
Capital Assets, being Depreciated:					
Land Improvements	6,157,187.57	20,375.96			6,177,563.53
Buildings and Improvements	156,976,383.55	202,004.56	3,047,367.35		160,225,755.46
Equipment	15,636,751.30	1,771,329.19	60,908.98	\$ (650,521.74)	16,818,467.73
Total Capital Assets, being Depreciated	<u>178,770,322.42</u>	<u>1,993,709.71</u>	<u>3,108,276.33</u>	<u>(650,521.74)</u>	<u>183,221,786.72</u>
Total Capital Assets, Cost	<u>186,997,107.66</u>	<u>2,978,559.51</u>	<u>-</u>	<u>(650,521.74)</u>	<u>189,325,145.43</u>
Less Accumulated Depreciation for:					
Land Improvements	(2,892,867.83)	(312,417.98)			(3,205,285.81)
Buildings and Improvements	(85,876,817.59)	(5,046,810.48)			(90,923,628.07)
Equipment	(9,079,992.29)	(1,388,583.84)		477,617.74	(9,990,958.39)
Total Accumulated Depreciation	<u>(97,849,677.71)</u>	<u>(6,747,812.30) *</u>	<u>-</u>	<u>477,617.74</u>	<u>(104,119,872.27)</u>
Total Capital Assets, being Depreciated, Net	<u>80,920,644.71</u>	<u>(4,754,102.59)</u>	<u>3,108,276.33</u>	<u>(172,904.00)</u>	<u>79,101,914.45</u>
Governmental Activities Capital Assets, Net	<u>\$ 89,147,429.95</u>	<u>\$ (3,769,252.79)</u>	<u>\$ -</u>	<u>\$ (172,904.00)</u>	<u>\$ 85,205,273.16</u>
	<u>Balance July 1, 2020</u>	<u>Increased</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Balance June 30, 2021</u>
<b>Business-Type Activities:</b>					
Capital Assets, being Depreciated:					
Machinery and Equipment	\$ 1,796,883.53	\$ 21,479.00		\$ (182,770.91)	\$ 1,635,591.62
Less Accumulated Depreciation	(1,459,431.30)	(41,255.10)		180,422.26	(1,320,264.14)
Business-Type Activities Capital Assets, Net	<u>\$ 337,452.23</u>	<u>\$ (19,776.10)</u>	<u>\$ -</u>	<u>(2,348.65)</u>	<u>\$ 315,327.48</u>

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

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

**Governmental Activities:**

Instruction Regular Programs	\$ 124,304.84
Instruction Special Programs	4,653.90
Support Services Students	10,981.11
Support Services General Administration	166,899.41
Support Services General Administration	15,625.98
Support Services Plant Operations and Maintenance	5,813,497.80
Support Services Pupil Transportation	611,849.26
	<u>611,849.26</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 6,747,812.30</u>
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**Business-Type Activities:**

Food Service	\$ 22,806.33
Childcare	1,600.30
Telecomm	1,167.80
Center for Performing Arts	9,590.04
Drivers Education	6,090.63
	<u>6,090.63</u>

Total Depreciation Expense - Business-Type Activities	<u>\$ 41,255.10</u>
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**Note 7: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 10,130,000.00		\$ (880,000.00)	\$ 9,250,000.00	\$ 885,000.00
Unamortized Premium	455,503.61		(63,519.98)	391,983.63	
Total Bonds Payable	<u>10,585,503.61</u>	<u>-</u>	<u>(943,519.98)</u>	<u>9,641,983.63</u>	<u>885,000.00</u>
Other Liabilities:					
Obligations under Capital Lease	107,330.65		(53,665.32)	53,665.33	53,665.33
Purchase Agreements Payable	9,924,645.67	\$ 3,983,271.00	(4,338,332.46)	9,569,584.21	3,406,187.56
Compensated Absences	7,370,060.21	2,385,855.90	(2,087,176.49)	7,668,739.62	766,873.96
Net Pension Liability	35,895,704.00	17,229,075.00	(22,501,124.00)	30,623,655.00	
Total Other Liabilities	<u>53,297,740.53</u>	<u>23,598,201.90</u>	<u>(28,980,298.27)</u>	<u>47,915,644.16</u>	<u>4,226,726.85</u>
Governmental Activities Long-Term Liabilities	<u>\$ 63,883,244.14</u>	<u>\$ 23,598,201.90</u>	<u>\$ (29,923,818.25)</u>	<u>\$ 57,557,627.79</u>	<u>\$ 5,111,726.85</u>

The bonds payable are generally liquidated by the debt service fund, while obligations under capital lease, purchase agreements payable, and net pension liability are liquidated by the general fund. Compensated absences will be paid from the fund from which the employees' salaries are paid.

**Note 7: LONG-TERM LIABILITIES (CONT'D)**

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due within</u> <u>One Year</u>
<b>Business-Type Activities:</b>					
Other Liabilities:					
Compensated Absences Payable	\$ 131,515.19	\$ 16,498.34	\$ (28,080.36)	\$ 119,933.17	\$ 11,993.32

Compensated absences are liquidated by the food service enterprise fund and center for the performing arts enterprise fund.

**Bonds Payable** - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On April 3, 2012, the School District issued \$7,205,000.00 of School Refunding Bonds, Series 2012, to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023. The bonds originally carried rates ranging between 2.00% to 4.00% with a final maturity in 2023.

On December 28, 2016, the School District issued \$7,550,000.00 in general obligation refunding bonds with a variable interest rate of 3.25% to 4.00% to currently refund \$7,840,000.00 of outstanding callable School Refunding Bonds, Series 2007 with an interest rate of 4.0%. These refunding bonds have a final maturity in 2030.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 885,000.00	\$ 333,837.50	\$ 1,218,837.50
2023	920,000.00	309,500.00	1,229,500.00
2024	1,000,000.00	281,900.00	1,281,900.00
2025	1,065,000.00	241,900.00	1,306,900.00
2026	1,090,000.00	199,300.00	1,289,300.00
2027-2030	4,290,000.00	370,825.00	4,660,825.00
Total	9,250,000.00	\$ 1,737,262.50	\$ 10,987,262.50
Unamortized Premium	391,983.63		
	<u>\$ 9,641,983.63</u>		

**Bonds Authorized but not Issued** - As of June 30, 2021, the School District had no authorizations to issue additional bonded debt.

**Note 7: LONG-TERM LIABILITIES (CONT'D)**

**Purchase Agreements Payable** - The School District has entered into eight purchase agreements with several banking institutions for the purchase of textbooks, buses, and energy efficiency upgrades. These agreements are for terms from three to fifteen years, and range in interest rates from 1.02% to 2.83%.

The following is a schedule of the future minimum payments under the eight agreements at June 30, 2021:

<b><u>Fiscal Year</u></b> <b><u>Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2022	\$ 3,406,187.56	\$ 152,514.08	\$ 3,558,701.64
2023	2,552,809.08	93,605.73	2,646,414.81
2024	1,764,197.32	51,952.28	1,816,149.60
2025	942,555.91	30,363.13	972,919.04
2026	140,524.21	21,696.59	162,220.80
2027-2031	<u>763,310.13</u>	<u>51,260.85</u>	<u>814,570.98</u>
Total	<u>\$ 9,569,584.21</u>	<u>\$ 401,392.66</u>	<u>\$ 9,970,976.87</u>

**Obligations under Capital Lease** - On May 17, 2018, the School District entered into a capital lease arrangement for a hyper-converged infrastructure, with a total cost of \$268,326.60. The capital lease is for a term of five years. Capital leases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2021.

<b><u>Fiscal Year</u></b> <b><u>Ending June 30,</u></b>	<b><u>Total</u></b>
2022	<u>\$ 53,665.33</u>

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 13 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 8. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Note 8: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, certain School District employees may participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division.

**Note 8: PENSION PLANS (CONT'D)**

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

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

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

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

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

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

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

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

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

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

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

**Note 8: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 20.56% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2021 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2021 was \$12,392,928.00, and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$4,568,924.02.

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2020. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2021 was 16.00% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2020, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2021 was \$2,054,329.00 and was paid by April 1, 2021. School District employee contributions to the Plan during the fiscal year ended June 30, 2021 were \$1,038,586.16.

**Note 8: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

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

For the fiscal year ended June 30, 2021, employee contributions totaled \$259,340.32, and the School District recognized pension expense, which equaled the required contributions, of \$191,222.34. There were no forfeitures during the fiscal year.

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

**Pension Liability** - At June 30, 2021, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

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

School District's Proportionate Share of Net Pension Liability	\$	-
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District		<u>360,127,645.00</u>
		<u>\$ 360,127,645.00</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. For the June 30, 2020 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2020 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.5469008744%, which was a decrease of 0.0005621828% from its proportion measured as of June 30, 2019.

**Pension Expense** - For the fiscal year ended June 30, 2021, the School District recognized \$22,394,271.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2020 measurement date.



**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

**Pension Liability** - At June 30, 2021, the School District reported a liability of \$30,623,655.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2020 measurement date, the School District's proportion was 0.11877901020%, which was a decrease of 0.0114259123% from its proportion measured as of June 30, 2019.

**Pension Expense** - For the fiscal year ended June 30, 2021, the School District recognized pension expense of (\$53,570.00), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2020 measurement date.

**Deferred Outflows and Inflows of Resources** - At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 557,606.00	\$ 108,298.00
Changes of Assumptions	993,466.00	12,822,414.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,046,741.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	310,656.00	2,821,766.00
School District Contributions Subsequent to the Measurement Date	<u>2,201,111.00</u>	<u>-</u>
	<b><u>\$ 5,109,580.00</u></b>	<b><u>\$ 15,752,478.00</u></b>

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - Deferred outflows of resources in the amount of \$2,201,111.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ending June 30,</b>	
2022	\$ (4,552,806.00)
2023	(4,105,253.00)
2024	(2,571,610.00)
2025	(1,359,349.00)
2026	(254,991.00)
	<u>\$ (12,844,009.00)</u>

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

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years (cont'd):

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2020 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2019. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2020. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

<sup>(1)</sup> based on years of service

For TPAF, pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2020 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2020 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-US Developed Markets Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	<u>100.00%</u>	

**Discount Rate -**

**Teachers' Pension and Annuity Fund** - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. 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 2.21% as of the June 30, 2020 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers would be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Discount Rate (Cont'd) -**

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 2.21% as of the June 30, 2020 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers would be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

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

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2020, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2020 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 5.40% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease (4.40%)</b>	<b>Current Discount Rate (5.40%)</b>	<b>1% Increase (6.40%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	423,012,095.00	360,127,645.00	307,912,664.00
	<u>\$ 423,012,095.00</u>	<u>\$ 360,127,645.00</u>	<u>\$ 307,912,664.00</u>

**Note 8: PENSION PLANS (CONT'D)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2020, the Plan's measurement date, calculated using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 38,853,207.00</u>	<u>\$ 30,623,655.00</u>	<u>\$ 24,085,791.00</u>

**Pension Plan Fiduciary Net Position**

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

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

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

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

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

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)**

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

**Employees Covered by Benefit Terms** - At June 30, 2020, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	149,304
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>366,108</u>

**Total Non-Employer OPEB Liability**

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

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2021 was \$460,960,621.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. For the June 30, 2020 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was 0.6797830337%, which was a decrease of 0.0086330799% from its proportion measured as of June 30, 2019.



**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

**Actuarial Assumptions and Other Inputs** - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2019 used the following actuarial assumptions, applied to all periods in the measurement:

**Salary Increases -**

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u>
Salary Increases:			
Through 2026	1.55 - 4.45%	2.00 - 6.00%	3.25 - 15.25% *
Thereafter	1.55 - 4.45%	3.00 - 7.00%	Applied to all Future Years

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\* based on service years

**Inflation Rate** - 2.50%.

**Mortality Rates** - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

**Experience Studies** - The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS, and PFRS, respectively.

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Discount Rate** - The discount rate for June 30, 2020 measurement date was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)****Changes in the Total Non-Employer OPEB Liability**

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

Balance at June 30, 2020		\$ 287,269,718.00
Changes for the Year:		
Service Cost	\$ 9,933,923.00	
Interest Cost	10,267,119.00	
Difference between Expected and Actual Experience	77,069,905.00	
Changes in Assumptions	84,201,665.00	
Member Contributions	243,236.00	
Gross Benefit Payments	<u>(8,024,945.00)</u>	
Net Changes		<u>173,690,903.00</u>
Balance at June 30, 2021		<u>\$ 460,960,621.00</u>

There were no changes in benefit terms between the June 30, 2019 measurement date and the June 30, 2020 measurement date.

Differences between expected and actual experience reflect an increase in liability from June 30, 2019 to June 30, 2020 due to changes in the census, claims, and premiums experience.

Changes in assumptions reflect an increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a discount rate of 2.21%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 555,711,822.00</u>	<u>\$ 460,960,621.00</u>	<u>\$ 386,874,308.00</u>

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2020, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 372,102,958.00</u>	<u>\$ 460,960,621.00</u>	<u>\$ 566,770,348.00</u>

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

**OPEB Expense** - For the fiscal year ended June 30, 2021, the School District recognized \$18,454,411.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2020 measurement date.

**Deferred Outflows and Inflows of Resources** - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2021, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ -	\$ (69,985,830.00)
Changes of Assumptions	-	(78,407,883.00)
Changes in Proportion	-	-
	<u>\$ -</u>	<u>\$ (148,393,713.00)</u>

**Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

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

<b>Fiscal Year Ending June 30,</b>		
2022	\$	68,419.00
2023		68,419.00
2024		68,419.00
2025		68,419.00
2026		68,419.00
Thereafter		<u>148,051,618.00</u>
		<u>\$148,393,713.00</u>

**Note 10: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2021, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$15,848,822.00, \$301,545.00, \$5,061,273.00 and \$7,731.00, respectively.

**Note 11: RISK MANAGEMENT**

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

**New Jersey Unemployment Compensation Insurance** - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

**Note 11: RISK MANAGEMENT (CONT'D)**

**New Jersey Unemployment Compensation Insurance (Cont'd)** - The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending Balance</u>	
				<u>Claims</u> <u>Payable</u>	<u>Restricted</u> <u>Fund</u> <u>Balance</u>
2021	\$ 136,738.97	\$ 5,733.56		\$ 136,741.14	\$ 1,464,948.58
2020	136,244.52	19,413.07	\$ 65,760.74	-	1,459,217.19
2019	132,746.88	14,104.21	27,570.88	-	1,369,320.34

**Joint Insurance Fund** - The School District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (the "Fund").

The Fund provides the School District with the following coverage, whereby a complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report:

Property (including crime and auto physical damage)  
 General Liability  
 Automobile Liability  
 Workers' Compensation  
 School Board Legal Liability  
 Boiler and Machinery  
 Pollution Legal Liability  
 Student Accident Insurance

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

Annual contributions, as determined by the Fund's Board of Trustees, are due within 30 days of the due date fixed by the Board of Trustees, but not later than February 1. Total contributions are recognized as earned revenue evenly over the fiscal contract period or period of risk, if different.

The Board of Trustees shall by majority vote levy upon the participants additional assessments whenever needed or so ordered by the Commissioner of Banking and Insurance to supplement the Fund's claim, loss retention or administrative accounts, after consideration of anticipated investment income, to assure the payment of the Fund's obligations. Supplemental contributions to cover a deficit are recognized as revenue upon approval whether or not actually received.

Effective July 1, 2001, the Fund joined the School Pool for Excess Liability Limits Joint Insurance Fund (the "SPELL"). The SPELL is a joint insurance fund formed to provide excess coverage for member school funds. Each member appoints two delegates to represent their respective joint insurance fund for the purpose of creating a governing body from which the board of trustees of the SPELL is elected. The Fund could be subject to supplemental assessments in the event of deficiencies in the loss funds of the SPELL. If the assets of the SPELL were to be exhausted, its members would become jointly and severely liable for the SPELL's liabilities.

The SPELL can declare and refund surplus to its members upon approval by the State of New Jersey Department of Banking and Insurance.

Additional information regarding claims, coverages and deductibles can be found at the following website: <http://www.spelljif.com/gcssd-jif>.

**Note 12: DEFERRED COMPENSATION**

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

Ameriprise  
ASpire  
AXA Equitable  
Creative Financial Strategies (MetLife)  
Lincoln Investment (The Faller Company LLC)  
Syracusa Benefits Program  
VALIC (AIG)  
VOYA

**Note 13: COMPENSATED ABSENCES**

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may not be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward without supervisor approval. Benefits paid in any future year will be calculated according to formulas outlined in the School District's agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2021, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$7,668,739.62 and \$119,933.17, respectively.

**Note 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfunds** - The composition of interfund balances as of June 30, 2021 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 3,021,995.71	\$ 3,702.00
Special Revenue		1,091,680.61
Capital Projects		186,653.65
Food Service	3,600.00	999,277.00
Telecomm	20,970.00	
Center for Performing Arts		768,954.45
Internal Service	3,702.00	
Totals	<u>\$ 3,050,267.71</u>	<u>\$ 3,050,267.71</u>

**Note 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONT'D)**

**Interfunds (Cont'd)** - The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2022, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

**Transfers -**

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Food Service Fund</u>
<b><u>Transfer Out:</u></b>			
General Fund	\$ (1,179,628.50)	\$ 366,031.80	\$ 813,596.70
Capital Projects Fund	<u>5,598.85</u>	<u>(5,598.85)</u>	<u>                    </u>
Total Transfers	<u>\$ (1,174,029.65)</u>	<u>\$ 360,432.95</u>	<u>\$ 813,596.70</u>

Transfers were made during the fiscal year ended June 30, 2021 for the following purposes:

- the general fund budgeted and transferred \$813,596.70 to subsidize the operations of the food service enterprise fund; and
- the general fund transferred \$366,031.80 of capital reserve funds to the capital projects fund for approved capital projects; and
- the capital projects fund transferred \$5,598.85 of interest earned on deposits to the general fund

**Note 15: CONTINGENCIES**

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

**Note 16: CONCENTRATIONS**

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

**Note 17: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2021 that are to continue into the subsequent fiscal years. These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Core Parking Lot	06/01/21	\$ 366,031.80
Bells Roof	05/31/21	248,870.00
Wedgwood Roof	05/31/21	<u>77,581.75</u>
Total		<u>\$ 692,483.55</u>

**Note 18: FUND BALANCES****RESTRICTED**

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

**General Fund**

**For Legally Restricted Appropriations** - In accordance with N.J.S.A. 18A:39-31, the School District has restricted \$18,973.11 and \$1,635.50 of school bus advertising revenue, totaling \$20,608.61, to be designated for utilization in the 2021-22 budget and the 2022-23 budget, respectively, to offset fuel costs.

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$8,709,153.43, excluding the last state aid payments not recognized on a GAAP basis. Additionally, \$6,611,825.69 of excess fund balance generated during 2019-2020 has been restricted and designated for utilization in the 2021-2022 budget.

**For Capital Reserve Account** - As of June 30, 2021, the balance in the capital reserve account is \$4,660,716.25. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Unemployment Compensation** - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 11). As a result, there exists at June 30, 2021 a restricted fund balance from employer contributions in the amount of \$1,464,948.57 for future unemployment claims.



**Note 18: FUND BALANCES (CONT'D)****RESTRICTED (CONT'D)****Special Revenue Fund**

**For Scholarships** - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2021 is \$121,815.76.

**For Student Activities** - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2021 is \$415,925.03.

**Capital Projects Fund** - As of June 30, 2021, \$997,984.86 of capital projects fund balance is restricted for future capital expenditures.

**Debt Service Fund** - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2022 \$.50 of debt service fund balance at June 30, 2021.

**COMMITTED**

As stated in note 1, the committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which is the Board of Education. Specific commitments of the School District's fund balance are summarized as follows:

**General Fund** - As of June 30, 2021, the School District has committed \$662,516.28 of general fund balance for the acquisition of equipment and supplies. This fund balance represents the proceeds received from the various purchase agreements that the School District has entered, net of expenditures.

**ASSIGNED**

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

**General Fund**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2022, \$3,869,201.00 of general fund balance at June 30, 2021.

**FFCRA/SEMI Designated for Subsequent Year's Expenditures** - The School District received additional reimbursements separate from the regular reimbursement payments received for submitted Families First Coronavirus Response Act (FFCRA) / Special Education Medicaid Initiative (SEMI) claims. Amounts not appropriated for use during fiscal year ended June 30, 2021 have been assigned for subsequent year's expenditures. As of June 30, 2021, \$21,819.07 has been assigned for this purpose.

**Note 18: FUND BALANCES (CONT'D)****ASSIGNED (CONT'D)**

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

**General Fund**

**Other Purposes** - As of June 30, 2021, the School District had \$1,086,125.92 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**UNASSIGNED**

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

**General Fund** - As of June 30, 2021, \$7,863,547.29 of general fund balance was unassigned.

**Note 19: RESTATEMENT OF PRIOR PERIOD NET POSITION AND FUND BALANCE**

For the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As a result, the following net positions and fund balances as of July 1, 2020 have been restated. The following tables illustrate the restatements:

	<b>Governmental Activities</b>
Beginning Net Position as Previously Reported at July 1, 2020	\$ 38,556,275.67
Prior Period Adjustments:	
Reclassification of Net Position from Fiduciary Fund:	
Unemployment Compensation Trust	\$ 1,459,217.19
Scholarship Fund	122,543.68
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	<u>367,013.70</u>
Total Prior Period Adjustments	<u>1,948,774.57</u>
Net Position as Restated, July 1, 2020	<u>\$ 40,505,050.24</u>

**Note 19: RESTATEMENT OF PRIOR PERIOD NET POSITION AND FUND BALANCE (CONT')**

For the fiscal year ended June 30, 2021, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As a result, the following net positions and fund balances as of July 1, 2020 have been restated. The following tables illustrate the restatements (cont'd):

	<b>General Fund</b>
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ 20,308,599.28
Prior Period Adjustment:	
Reclassification of Unemployment Compensation Trust Net Position from Fiduciary Fund	<u>1,459,217.19</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 21,767,816.47</u>
	<b>Special Revenue Fund</b>
Beginning Fund Balance as Previously Reported at July 1, 2020	\$ -
Prior Period Adjustments:	
Reclassification of Scholarship Fund Net Position from Fiduciary Fund	\$ 122,543.68
Reclassification of Student Activity Payable to Student Groups Balance from Fiduciary Fund	<u>367,013.70</u>
Total Prior Period Adjustments	<u>489,557.38</u>
Fund Balance as Restated, July 1, 2020	<u>\$ 489,557.38</u>

**Note 20: SUBSEQUENT EVENTS**

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

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II  
BUDGETARY COMPARISON SCHEDULES**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 88,688,142.00		\$ 88,688,142.00	\$ 88,688,142.00	
Tuition from Other LEAs Within the State				996,599.01	\$ 996,599.01
Unrestricted Miscellaneous Revenues	620,104.00		620,104.00	858,568.27	238,464.27
Interest Earned on Capital Reserve Funds	50.00		50.00	2,479.05	2,429.05
Other Restricted Miscellaneous Revenues	92,000.00		92,000.00	105,086.90	13,086.90
<b>Total - Local Sources</b>	<b>89,400,296.00</b>	<b>\$ -</b>	<b>89,400,296.00</b>	<b>90,650,875.23</b>	<b>1,250,579.23</b>
<b>Federal Sources:</b>					
Disaster Grants (DR-4488-NJ) - Coronavirus Pandemic				100,294.18	100,294.18
Medicaid Reimbursement - FFCRA				21,819.07	21,819.07
Medicaid Reimbursement	175,387.00		175,387.00	214,865.55	39,478.55
<b>Total - Federal Sources</b>	<b>175,387.00</b>	<b>-</b>	<b>175,387.00</b>	<b>336,978.80</b>	<b>161,591.80</b>
<b>State Sources:</b>					
Categorical Special Education Aid	5,556,586.00		5,556,586.00	5,556,586.00	
Equalization Aid	36,399,809.00		36,399,809.00	36,399,809.00	
Categorical Security Aid	944,104.00		944,104.00	944,104.00	
Categorical Transportation Aid	2,909,313.00		2,909,313.00	2,909,313.00	
Extraordinary Aid	1,100,000.00		1,100,000.00	3,514,511.00	2,414,511.00
Nonpublic School Transportation Aid				120,930.00	120,930.00
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)				16,150,367.00	16,150,367.00
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				5,061,273.00	5,061,273.00
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)				7,731.00	7,731.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				4,341,005.72	4,341,005.72
<b>Total - State Sources</b>	<b>46,909,812.00</b>	<b>-</b>	<b>46,909,812.00</b>	<b>75,005,629.72</b>	<b>28,095,817.72</b>
<b>Total Revenues</b>	<b>136,485,495.00</b>	<b>-</b>	<b>136,485,495.00</b>	<b>165,993,483.75</b>	<b>29,507,988.75</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers					
Kindergarten - Salaries of Teachers	\$ 1,639,668.00		\$ 1,639,668.00	\$ 1,500,262.73	\$ 139,405.27
Grades 1-5 - Salaries of Teachers	11,461,285.00		11,461,285.00	11,369,570.39	91,714.61
Grades 6-8 - Salaries of Teachers	9,278,630.00	\$ (9,675.00)	9,268,955.00	9,036,841.46	232,113.54
Grades 9-12 - Salaries of Teachers	11,623,158.00	(50,000.00)	11,573,158.00	11,340,426.66	232,731.34
Regular Programs - Home Instruction:					
Salaries of Teachers	125,000.00	(15,000.00)	110,000.00	104,101.95	5,898.05
Purchased Professional - Educational Services	136,000.00	55,000.00	191,000.00	115,809.00	75,191.00
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	871,218.00		871,218.00	809,008.05	62,209.95
Purchased Professional - Educational Services	2,090,000.00	(199,700.00)	1,890,300.00	1,705,183.58	185,116.42
Purchased Technical Services	650,783.00	6,490.48	657,273.48	607,415.42	49,858.06
Other Purchased Services (400-500 Series)	2,951,611.23	(396,219.45)	2,555,391.78	2,346,328.10	209,063.68
General Supplies	1,181,883.37	(65,023.29)	1,116,860.08	794,353.14	322,506.94
Textbooks	22,481.74	(4,000.00)	18,481.74	587.56	17,894.18
Other Objects	35,800.00	(1,800.00)	34,000.00	21,794.00	12,206.00
<b>Total Regular Programs - Instruction</b>	<b>42,067,518.34</b>	<b>(679,927.26)</b>	<b>41,387,591.08</b>	<b>39,751,682.04</b>	<b>1,635,909.04</b>
Special Education - Instruction:					
Learning and / or Language Disabilities:					
Salaries of Teachers	1,515,833.00		1,515,833.00	1,263,767.92	252,065.08
Other Salaries for Instruction	67,227.00		67,227.00	48,339.68	18,887.32
Purchased Professional - Educational Services	180,000.00		180,000.00	160,934.44	19,065.56
General Supplies	11,080.00		11,080.00	10,742.45	337.55
Textbooks	2,000.00		2,000.00		2,000.00
<b>Total Learning and / or Language Disabilities</b>	<b>1,776,140.00</b>	<b>-</b>	<b>1,776,140.00</b>	<b>1,483,784.49</b>	<b>292,355.51</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Auditory Impairments					
Salaries of Teachers	\$ 58,059.00		\$ 58,059.00	\$ 58,059.00	
Total Auditory Impairments	58,059.00	\$ -	58,059.00	58,059.00	\$ -
Behavioral Disabilities:					
Salaries of Teachers	505,523.00		505,523.00	476,219.80	29,303.20
Other Salaries for Instruction	42,255.00		42,255.00	37,651.79	4,603.21
Purchased Professional - Education Services	343,654.00		343,654.00	324,356.58	19,297.42
General Supplies	4,312.00		4,312.00	4,295.49	16.51
Textbooks	245.00		245.00	238.47	6.53
Total Behavioral Disabilities	895,989.00	-	895,989.00	842,762.13	53,226.87
Multiple Disabilities:					
Salaries of Teachers	752,137.00	9,675.00	761,812.00	736,592.85	25,219.15
Other Salaries for Instruction	51,036.00		51,036.00	22,439.92	28,596.08
Purchased Professional - Education Services	60,000.00		60,000.00	55,905.65	4,094.35
General Supplies	13,000.00		13,000.00	12,396.23	603.77
Total Multiple Disabilities	876,173.00	9,675.00	885,848.00	827,334.65	58,513.35
Resource Room / Resource Center:					
Salaries of Teachers	8,505,516.00	(89,192.57)	8,416,323.43	8,175,864.27	240,459.16
Other Salaries for Instruction	186,237.00		186,237.00	44,061.74	142,175.26
Purchased Professional - Educational Services	220,000.00	(71,900.00)	148,100.00	6,129.90	141,970.10
Other Purchased Services (400-500 Series)	2,147.00		2,147.00	2,146.43	0.57
General Supplies	22,861.00	(327.88)	22,533.12	20,413.41	2,119.71
Textbooks	1,986.00		1,986.00	474.87	1,511.13
Total Resource Room / Resource Center	8,938,747.00	(161,420.45)	8,777,326.55	8,249,090.62	528,235.93
Autism:					
Salaries of Teachers	434,108.00		434,108.00	423,118.43	10,989.57
Purchased Professional - Educational Services	123,625.00		123,625.00	64,437.46	59,187.54
Other Purchased Services (400-500 Series)		24,961.07	24,961.07	24,961.07	
General Supplies	26,540.00	350.00	26,890.00	20,808.54	6,081.46
Total Autism	584,273.00	25,311.07	609,584.07	533,325.50	76,258.57

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 438,890.00		\$ 438,890.00	\$ 430,482.11	\$ 8,407.89
Other Salaries for Instruction	74,738.00		74,738.00	70,914.38	3,823.62
General Supplies	5,120.00		5,120.00	4,467.55	652.45
Total Preschool Disabilities - Part-Time	518,748.00	\$ -	518,748.00	505,864.04	12,883.96
Total Special Education - Instruction	13,648,129.00	(126,434.38)	13,521,694.62	12,500,220.43	1,021,474.19
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	2,977,086.00	48,991.83	3,026,077.83	3,026,074.00	3.83
Other Salaries for Instruction	285,149.00	(34,736.00)	250,413.00	250,379.18	33.82
Purchased Technical Services	16,865.00		16,865.00	16,795.96	69.04
General Supplies	7,430.00	(63.26)	7,366.74	7,079.69	287.05
Total Basic Skills / Remedial - Instruction	3,286,530.00	14,192.57	3,300,722.57	3,300,328.83	393.74
Bilingual Education - Instruction:					
Salaries of Teachers	214,411.00		214,411.00	191,397.16	23,013.84
Other Salaries for Instruction	2,645.00		2,645.00	1,446.00	1,199.00
Purchased Professional - Educational Services	5,500.00		5,500.00	4,716.00	784.00
General Supplies	1,278.00		1,278.00	700.00	578.00
Total Bilingual Education - Instruction	223,834.00	-	223,834.00	198,259.16	25,574.84

(Continued)



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School-Sponsored Cocurricular / Extracurricular Activities -					
Instruction (Cont'd):					
Salaries	\$ 682,948.00		\$ 682,948.00	\$ 615,299.69	\$ 67,648.31
Purchased Services (300-500 Series)	8,500.00		8,500.00	366.19	8,133.81
Supplies and Materials	56,728.00	\$ (3,705.00)	53,023.00	43,331.08	9,691.92
Other Objects	40,644.00	(2,605.00)	38,039.00	17,418.00	20,621.00
<b>Total School-Sponsored Cocurricular / Extracurricular Activities - Instruction</b>	<b>788,820.00</b>	<b>(6,310.00)</b>	<b>782,510.00</b>	<b>676,414.96</b>	<b>106,095.04</b>
School-Sponsored Athletics - Instruction:					
Salaries	948,312.00		948,312.00	922,110.21	26,201.79
Purchased Services (300-500 Series)	180,836.00		180,836.00	78,970.98	101,865.02
Supplies and Materials	117,918.59	6,495.00	124,413.59	95,851.59	28,562.00
Other Objects	45,735.00		45,735.00	21,408.00	24,327.00
<b>Total School-Sponsored Athletics - Instruction</b>	<b>1,292,801.59</b>	<b>6,495.00</b>	<b>1,299,296.59</b>	<b>1,118,340.78</b>	<b>180,955.81</b>
Summer School - Instruction:					
Salaries of Teachers	98,900.00	9,100.00	108,000.00	107,976.00	24.00
Other Salaries for Instruction	88,917.00	(9,100.00)	79,817.00		79,817.00
<b>Total Summer School - Instruction</b>	<b>187,817.00</b>	<b>-</b>	<b>187,817.00</b>	<b>107,976.00</b>	<b>79,841.00</b>
Alternative Education Program - Instruction:					
Purchased Professional and Technical Services	581,950.00	-	581,950.00	581,950.00	-
Other Instructional Programs:					
Salaries	76,375.00	-	76,375.00	3,615.51	72,759.49
<b>Total Instruction</b>	<b>62,153,774.93</b>	<b>(791,984.07)</b>	<b>61,361,790.86</b>	<b>58,238,787.71</b>	<b>3,123,003.15</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within the State - Special	\$ 74,673.00	\$ (74,673.00)			
Tuition to County Vocational School District - Regular	362,120.00	30,000.00	\$ 392,120.00	\$ 388,316.10	\$ 3,803.90
Tuition to CSSD and Regional Day Schools	726,458.00	264,357.00	990,815.00	990,815.00	
Tuition to Private Schools for the Disabled - Within State	5,001,188.00	(123,479.00)	4,877,709.00	4,387,326.95	490,382.05
Tuition - State Facilities	90,629.00	(75,984.00)	14,645.00		14,645.00
<b>Total Undistributed Expenditures - Instruction</b>	<b>6,255,068.00</b>	<b>20,221.00</b>	<b>6,275,289.00</b>	<b>5,766,458.05</b>	<b>508,830.95</b>
Undistributed Expenditures - Attendance and Social Work:					
Salaries	509,192.00		509,192.00	486,546.36	22,645.64
Purchased Professional and Technical Services	277,913.60	1,000.00	278,913.60	276,122.74	2,790.86
Other Purchased Services (400-500 Series)	20,982.00		20,982.00	8,876.36	12,105.64
Supplies and Materials	19,116.28		19,116.28	12,087.24	7,029.04
Other Objects	500.00		500.00		500.00
<b>Total Undistributed Expenditures - Attendance and Social Work</b>	<b>827,703.88</b>	<b>1,000.00</b>	<b>828,703.88</b>	<b>783,632.70</b>	<b>45,071.18</b>
Undistributed Expenditures - Health Services:					
Salaries	1,085,288.00		1,085,288.00	1,054,559.57	30,728.43
Purchased Professional and Technical Services	105,000.00		105,000.00	101,453.00	3,547.00
Other Purchased Services (400-500 Series)	50,600.00		50,600.00	46,768.96	3,831.04
Supplies and Materials	30,126.97	280.47	30,407.44	25,490.04	4,917.40
Other Objects	3,000.00		3,000.00	2,802.00	198.00
<b>Total Undistributed Expenditures - Health Services</b>	<b>1,274,014.97</b>	<b>280.47</b>	<b>1,274,295.44</b>	<b>1,231,073.57</b>	<b>43,221.87</b>
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	1,802,084.00	17,996.00	1,820,080.00	1,702,943.52	117,136.48
Purchased Professional - Educational Services	210,000.00		210,000.00	104,911.37	105,088.63
Supplies and Materials	23,250.00		23,250.00	21,623.75	1,626.25
<b>Total Undistributed Expenditures - Other Support Services - Students - Related Services</b>	<b>2,035,334.00</b>	<b>17,996.00</b>	<b>2,053,330.00</b>	<b>1,829,478.64</b>	<b>223,851.36</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Extraordinary Services:					
Salaries	\$ 2,874,782.00	\$ (100,000.00)	\$ 2,774,782.00	\$ 2,198,902.77	\$ 575,879.23
Purchased Professional - Educational Services	110,000.00		110,000.00	9,160.93	100,839.07
	<u>2,984,782.00</u>	<u>(100,000.00)</u>	<u>2,884,782.00</u>	<u>2,208,063.70</u>	<u>676,718.30</u>
Total Undistributed Expenditures - Other Support Services -					
Students - Extraordinary Services	2,984,782.00	(100,000.00)	2,884,782.00	2,208,063.70	676,718.30
Undistributed Expenditures - Guidance:					
Students - Regular:					
Salaries of Other Professional Staff	2,788,619.00	(75,000.00)	2,713,619.00	2,397,276.40	316,342.60
Salaries of Secretarial and Clerical Assistants	201,014.00		201,014.00	183,465.20	17,548.80
Other Salaries	41,708.00		41,708.00	41,409.58	298.42
Purchased Professional - Educational Services	116,721.00		116,721.00	40,879.21	75,841.79
Other Purchased Professional and Technical Services	86,892.82	8,320.36	95,213.18	88,463.63	6,749.55
Other Purchased Services (400-500 Series)	3,962.00		3,962.00	281.80	3,680.20
Supplies and Materials	44,395.00	(12,871.17)	31,523.83	25,920.82	5,603.01
Other Objects	129.00		129.00	129.00	
	<u>3,283,440.82</u>	<u>(79,550.81)</u>	<u>3,203,890.01</u>	<u>2,777,825.64</u>	<u>426,064.37</u>
Total Undistributed Expenditures - Guidance					

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Child Study Team:					
Salaries of Other Professional Staff	\$ 2,792,242.00	\$ (250.00)	\$ 2,791,992.00	\$ 2,680,376.82	\$ 111,615.18
Salaries of Secretarial and Clerical Assistants	455,158.00		455,158.00	452,006.60	3,151.40
Other Salaries	74,944.00	250.00	75,194.00	75,191.04	2.96
Purchased Professional - Educational Services	952,300.00	(157,996.00)	794,304.00	259,144.07	535,159.93
Other Purchased Professional and Technical Services	71,888.00		71,888.00	68,107.00	3,781.00
Other Purchased Services (400-500 Series)	73,963.00		73,963.00	47,627.72	26,335.28
Supplies and Materials	32,189.76		32,189.76	30,963.59	1,226.17
Other Objects	16,560.00	(65.10)	16,494.90	9,491.00	7,003.90
<b>Total Undistributed Expenditures - Child Study Team</b>	<b>4,469,244.76</b>	<b>(158,061.10)</b>	<b>4,311,183.66</b>	<b>3,622,907.84</b>	<b>688,275.82</b>
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	618,004.00	12,043.36	630,047.36	629,692.38	354.98
Salaries of Other Professional Staff	156,718.00	64,283.93	221,001.93	221,001.93	
Salaries of Secretarial and Clerical Assistants	397,974.00	2,631.57	400,605.57	400,605.57	
Purchased Professional - Educational Services	9,000.00		9,000.00	4,950.00	4,050.00
Other Purchase Professional and Technical Services	22,250.00	(250.00)	22,000.00	22,000.00	
Other Purchased Services (400-500 Series)	11,250.00		11,250.00	2,362.50	8,887.50
Supplies and Materials	30,811.00	67,577.33	98,388.33	61,846.27	36,542.06
Other Objects	32,234.72		32,234.72	25,921.00	6,313.72
<b>Total Undistributed Expenditures - Improvement of Instruction Services</b>	<b>1,278,241.72</b>	<b>146,286.19</b>	<b>1,424,527.91</b>	<b>1,368,379.65</b>	<b>56,148.26</b>
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	1,169,158.00		1,169,158.00	1,123,305.61	45,852.39
Salaries of Technology Coordinators	61,296.00		61,296.00	61,205.82	90.18
Purchased Professional and Technical Services	111,353.00	6,334.37	117,687.37	110,415.81	7,271.56
Other Purchased Services (400-500 Series)	58,906.00	8.00	58,914.00	56,006.83	2,907.17
Supplies and Materials	128,369.00	(6,508.50)	121,860.50	106,059.72	15,800.78
Other Objects	755.00	18.00	773.00	513.00	260.00
<b>Total Undistributed Expenditures - Educational Media Services / School Library</b>	<b>1,529,837.00</b>	<b>(148.13)</b>	<b>1,529,688.87</b>	<b>1,457,506.79</b>	<b>72,182.08</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 174,400.00	\$ (54,250.00)	\$ 120,150.00	\$ 95,849.16	\$ 24,300.84
Purchased Professional - Educational Services	121,388.00	(24,708.86)	96,679.14	60,513.00	36,166.14
Other Purchased Services (400-500 Series)	37,804.00	(11.00)	37,793.00	4,653.01	33,139.99
Supplies and Materials	10,491.00	(5,133.50)	5,357.50	4,116.34	1,241.16
	<u>344,083.00</u>	<u>(84,103.36)</u>	<u>259,979.64</u>	<u>165,131.51</u>	<u>94,848.13</u>
Total Undistributed Expenditures - Instructional Staff Training Services					
Undistributed Expenditures - Support Services - General					
Administration:					
Salaries	368,871.00		368,871.00	366,140.19	2,730.81
Legal Services	340,000.00	43,422.47	383,422.47	357,849.54	25,572.93
Audit Fees	92,000.00		92,000.00	81,600.00	10,400.00
Architectural / Engineering Services	86,500.00	6,577.53	93,077.53	93,077.53	
Other Purchased Professional Services	50,000.00	(50,000.00)			
Purchased Technical Services	500.00		500.00		500.00
Communications / Telephone	219,259.59	(1,240.80)	218,018.79	136,369.08	81,649.71
Miscellaneous Purchased Services (400-500) (Other than 530 & 585)	30,100.00		30,100.00	8,130.27	21,969.73
General Supplies	25,211.16	127,900.00	153,111.16	10,827.58	142,283.58
BOE In-House Training / Meeting Supplies	3,500.00		3,500.00	851.90	2,648.10
Judgment against School District	30,000.00		30,000.00	2,928.90	27,071.10
Miscellaneous Expenditures	7,610.00		7,610.00	3,065.00	4,545.00
BOE Membership Dues and Fees	29,000.00		29,000.00	26,662.70	2,337.30
	<u>1,282,551.75</u>	<u>126,659.20</u>	<u>1,409,210.95</u>	<u>1,087,502.69</u>	<u>321,708.26</u>
Total Undistributed Expenditures - Support Services - General					
Administration					

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	\$ 2,738,896.00	\$ 25,550.00	\$ 2,764,446.00	\$ 2,758,166.30	\$ 6,279.70
Salaries of Other Professional Staff	1,324,569.00		1,324,569.00	1,283,442.89	41,126.11
Salaries of Secretarial and Clerical Assistants	2,233,654.00	(25,550.00)	2,208,104.00	2,151,097.52	57,006.48
Purchased Professional and Technical Services	70,602.00		70,602.00	16,771.85	53,830.15
Other Purchased Services (400-500 Series)	37,419.86	2,700.00	40,119.86	18,337.65	21,782.21
Supplies and Materials	31,265.66	637,950.04	669,215.70	34,547.12	634,668.58
Other Objects	34,500.00	(15.00)	34,485.00	24,145.67	10,339.33
<b>Total Undistributed Expenditures - Support Services - School Administration</b>	<b>6,470,906.52</b>	<b>640,635.04</b>	<b>7,111,541.56</b>	<b>6,286,509.00</b>	<b>825,032.56</b>
Undistributed Expenditures - Central Services:					
Salaries	1,588,902.00		1,588,902.00	1,587,280.72	1,621.28
Purchase Professional Services	43,760.00	(22,000.00)	21,760.00	14,961.61	6,798.39
Purchased Technical Services	230,530.00	(965.00)	229,565.00	188,035.83	41,529.17
Miscellaneous Purchased Services (400-500 Series)	114,000.00		114,000.00	43,114.93	70,885.07
Supplies and Materials	82,593.30	335,000.00	417,593.30	36,815.47	380,777.83
Miscellaneous Expenditures	19,885.00		19,885.00	8,840.79	11,044.21
<b>Total Undistributed Expenditures - Central Services</b>	<b>2,079,670.30</b>	<b>312,035.00</b>	<b>2,391,705.30</b>	<b>1,879,049.35</b>	<b>512,655.95</b>
Undistributed Expenditures - Administration Information					
Technology:					
Salaries	710,310.00		710,310.00	658,687.67	51,622.33
Purchased Technical Services	385,295.18		385,295.18	260,390.68	124,904.50
Other Purchased Services (400-500 Series)	140,724.00	19,320.36	160,044.36	146,562.03	13,482.33
Supplies and Materials	43,801.93	(204.99)	43,596.94	17,320.37	26,276.57
Other Objects	450.00		450.00		450.00
<b>Total Undistributed Expenditures - Administration Information Technology</b>	<b>1,280,581.11</b>	<b>19,115.37</b>	<b>1,299,696.48</b>	<b>1,082,960.75</b>	<b>216,735.73</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	\$ 1,116,851.00		\$ 1,116,851.00	\$ 1,054,865.36	\$ 61,985.64
Cleaning, Repair, and Maintenance Services	723,390.04	\$ 4,316.00	727,706.04	487,111.42	240,594.62
General Supplies	245,202.75	35,000.00	280,202.75	219,257.81	60,944.94
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>2,085,443.79</b>	<b>39,316.00</b>	<b>2,124,759.79</b>	<b>1,761,234.59</b>	<b>363,525.20</b>
Undistributed Expenditures - Custodial Services:					
Salaries	3,189,791.00		3,189,791.00	3,078,418.61	111,372.39
Salaries of Non-Instructional Aides	508,717.00		508,717.00	457,110.59	51,606.41
Purchased Professional and Technical Services	260,767.00		260,767.00	205,958.96	54,808.04
Cleaning, Repair, and Maintenance Services	297,888.00	(19,496.50)	278,391.50	129,884.37	148,507.13
Other Purchased Property Services	1,023,361.00	256,290.34	1,279,651.34	1,211,866.76	67,784.58
Insurance	510,462.00	273,000.00	783,462.00	782,763.48	698.52
Miscellaneous Purchased Services	10,000.00		10,000.00		10,000.00
General Supplies	665,341.72	(15,956.73)	649,384.99	507,416.96	141,968.03
Energy (Natural Gas)	604,275.00		604,275.00	505,418.82	98,856.18
Energy (Electricity)	2,612,214.00		2,612,214.00	2,187,195.27	425,018.73
Other Objects	27,000.00		27,000.00	21,984.50	5,015.50
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>9,709,816.72</b>	<b>493,837.11</b>	<b>10,203,653.83</b>	<b>9,088,018.32</b>	<b>1,115,635.51</b>
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	393,464.00		393,464.00	330,432.53	63,031.47
Cleaning, Repair, and Maintenance Services	168,480.27	25,000.00	193,480.27	184,266.18	9,214.09
General Supplies	95,036.00		95,036.00	50,260.19	44,775.81
Other Objects	700.00		700.00	80.00	620.00
<b>Total Undistributed Expenditures - Care and Upkeep of Grounds</b>	<b>657,680.27</b>	<b>25,000.00</b>	<b>682,680.27</b>	<b>565,038.90</b>	<b>117,641.37</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Security:					
Salaries	\$ 273,658.00		\$ 273,658.00	\$ 267,730.58	\$ 5,927.42
Purchased Professional and Technical Services	7,380.00	\$ 7,500.00	14,880.00	7,816.80	7,063.20
Cleaning, Repair, and Maintenance Services	85,637.00		85,637.00	85,292.68	344.32
General Supplies	38,974.63	(7,500.00)	31,474.63	19,584.67	11,889.96
Other Objects		5,000.00	5,000.00	5,000.00	
<b>Total Undistributed Expenditures - Security</b>	<b>405,649.63</b>	<b>5,000.00</b>	<b>410,649.63</b>	<b>385,424.73</b>	<b>25,224.90</b>
<b>Total Undistributed Expenditures - Operation and Maintenance of Plant Services</b>	<b>12,858,590.41</b>	<b>563,153.11</b>	<b>13,421,743.52</b>	<b>11,799,716.54</b>	<b>1,622,026.98</b>
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Regular	2,173,860.00	(30,000.00)	2,143,860.00	1,996,305.46	147,554.54
Salaries for Pupil Trans (Bet Home & School) - Sp Ed	140,120.00		140,120.00	118,220.73	21,899.27
Salaries for Pupil Trans (Other than Bet Home & School)		30,251.30	30,251.30	30,251.30	
Management Fee - ESC and CTSA Transportation Program	183,916.00		183,916.00	136,682.90	47,233.10
Other Purchased Professional and Technical Services	14,920.00		14,920.00	10,084.51	4,835.49
Cleaning, Repair, and Maintenance Services	42,430.00		42,430.00	31,355.21	11,074.79
Lease Purchase Payments - School Buses	628,953.00	116,484.99	745,437.99	745,436.13	1.86
Contracted Services - Aid in Lieu Payments - Nonpublic Schools	232,000.00	130,000.00	362,000.00	325,177.20	36,822.80
Contracted Services - Aid in Lieu Payments - Charter Schools	8,000.00		8,000.00		8,000.00
Contracted Services - (Between Home and School) - Vendors	300,000.00		300,000.00	187,618.73	112,381.27
Contracted Services - (Other than Between Home and School) - Vendors	409,493.00	(160,550.54)	248,942.46	59,093.66	189,848.80
Contracted Services (Special Education Students) - Vendors	2,502,493.00	(100,949.09)	2,401,543.91	1,681,514.32	720,029.59
Miscellaneous Purchased Services - Transportation	80,716.00	27,930.68	108,646.68	108,646.68	
General Supplies	9,050.00		9,050.00	3,951.91	5,098.09
Transportation Supplies	574,822.00	(87,510.40)	487,311.60	347,737.58	139,574.02
Other Objects	5,960.00	1,030.15	6,990.15	5,985.00	1,005.15
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>7,306,733.00</b>	<b>(73,312.91)</b>	<b>7,233,420.09</b>	<b>5,788,061.32</b>	<b>1,445,358.77</b>

(Continued)



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 1,981,218.00		\$ 1,981,218.00	\$ 1,753,243.77	\$ 227,974.23
Other Retirement Contributions - PERS	2,047,018.00	\$ 8,500.00	2,055,518.00	2,055,347.16	170.84
Other Retirement Contributions - DCRP	220,000.00	(8,500.00)	211,500.00	191,222.34	20,277.66
Workmen's Compensation	1,283,898.00	(490,000.00)	793,898.00	792,529.26	1,368.74
Health Benefits	18,943,123.00	(75,000.00)	18,868,123.00	17,274,770.08	1,593,352.92
Tuition Reimbursements	240,000.00		240,000.00	202,557.72	37,442.28
Other Employee Benefits	1,876,056.00		1,876,056.00	1,810,048.95	66,007.05
Unused Sick Payment to Terminated / Retired Staff	751,500.00		751,500.00	683,167.37	68,332.63
<b>Total Unallocated Benefits - Employee Benefits</b>	<b>27,342,813.00</b>	<b>(565,000.00)</b>	<b>26,777,813.00</b>	<b>24,762,886.65</b>	<b>2,014,926.35</b>
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)				16,150,367.00	(16,150,367.00)
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				5,061,273.00	(5,061,273.00)
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)				7,731.00	(7,731.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				4,341,005.72	(4,341,005.72)
<b>Total On-behalf T.P.A.F. Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,560,376.72</b>	<b>(25,560,376.72)</b>
<b>Total Personal Services - Employee Benefits</b>	<b>27,342,813.00</b>	<b>(565,000.00)</b>	<b>26,777,813.00</b>	<b>50,323,263.37</b>	<b>(23,545,450.37)</b>
<b>Total Undistributed Expenditures</b>	<b>82,903,596.24</b>	<b>787,205.07</b>	<b>83,690,801.31</b>	<b>99,457,521.11</b>	<b>(15,766,719.80)</b>
<b>Total General Current Expense</b>	<b>145,057,371.17</b>	<b>(4,779.00)</b>	<b>145,052,592.17</b>	<b>157,696,308.82</b>	<b>(12,643,716.65)</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D):					
Capital Outlay:					
Interest Deposit to Capital Reserve	\$ 50.00	\$ -	\$ 50.00	\$ -	\$ 50.00
Equipment:					
Grades 9-12					
Undistributed Expenditures:					
Undistributed Expenditures -Custodian	53,800.87		53,800.87	42,197.13	11,603.74
Total Equipment	53,800.87	-	53,800.87	42,197.13	11,603.74
Facilities Acquisition and Construction Services:					
Architectural / Engineering Services	73,284.00		73,284.00		73,284.00
Construction Services	885,203.73		885,203.73	269,633.33	615,570.40
Assessment for Debt Service on SDA Funding	182,956.00		182,956.00	182,956.00	
Total Facilities Acquisition and Construction Services	1,141,443.73	-	1,141,443.73	452,589.33	688,854.40
Total Capital Outlay	1,195,294.60	-	1,195,294.60	494,786.46	700,508.14
Transfer of Funds to Charter Schools	44,353.00	79,779.00	124,132.00	124,132.00	-
Total Expenditures	146,297,018.77	75,000.00	146,372,018.77	158,315,227.28	(11,943,208.51)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,811,523.77)	(75,000.00)	(9,886,523.77)	7,678,256.47	17,564,780.24

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Budget Modifications / Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources (Uses):					
Capital Leases (non-budgeted)					
Transfer In - Capital Projects Fund (Interest Earnings)				\$ 5,598.85	\$ 5,598.85
Transfer Out - to Cover Deficits - Enterprise Funds	\$ (1,074,182.00)	\$ 75,000.00	\$ (999,182.00)	(813,596.70)	185,585.30
Transfer Out - Capital Reserve to Capital Projects Fund				(366,031.80)	(366,031.80)
Total Other Financing Sources (Uses)	<u>(1,074,182.00)</u>	<u>75,000.00</u>	<u>(999,182.00)</u>	<u>(1,174,029.65)</u>	<u>(174,847.65)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,885,705.77)	-	(10,885,705.77)	6,504,226.82	17,389,932.59
Fund Balances, July 1	-	-	-	24,191,985.13	24,191,985.13
Prior Period Adjustment (Note 19)	-	-	-	1,459,217.19	1,459,217.19
Fund Balances, July 1, Restated	-	-	-	25,651,202.32	25,651,202.32
Fund Balances, June 30	<u>\$ (10,885,705.77)</u>	<u>\$ -</u>	<u>\$ (10,885,705.77)</u>	<u>\$ 32,155,429.14</u>	<u>\$ 41,581,917.72</u>
Recapitulation of Fund Balance:					
Restricted:					
Capital Reserve				\$ 4,660,716.25	
Excess Surplus:					
Current Year				6,556,636.74	
Prior Year - Designated for Subsequent Year's Expenditures				6,611,825.69	
Unemployment Compensation				1,464,948.57	
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Current Year				1,635.50	
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Prior Year				18,973.11	
Assigned:					
Year-End Encumbrances				1,086,125.92	
Designated for Subsequent Year's Expenditures:					
FFCRA/SEMI				21,819.07	
2021-22 Budget				3,869,201.00	
Unassigned				<u>7,863,547.29</u>	
				32,155,429.14	
Reconciliation to Governmental Funds Statements (GAAP):					
Proceeds from Purchasing Agreements (Net of Expenditures)				662,516.28	
Fiscal Year 2021 Last State Aid Payments not Recognized on GAAP Basis				<u>(4,459,309.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 28,358,636.42</u>	

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers / Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 139,736.00	\$ 258,284.63	\$ 398,020.63	\$ 1,076,513.41	\$ 678,492.78
Federal Sources:					
Title I, Part A	563,752.00	53,052.00	616,804.00	563,988.67	(52,815.33)
Title I, SIA		24,943.00	24,943.00	22,982.84	(1,960.16)
Title II, Part A	162,318.00	(13,983.00)	148,335.00	140,645.40	(7,689.60)
Title III	15,089.00	6,240.00	21,329.00	20,650.26	(678.74)
Title III, Immigrant		1,293.00	1,293.00	1,292.45	(0.55)
Title IV, Part A	32,815.00	37,792.00	70,607.00	66,154.13	(4,452.87)
I.D.E.A. Part B, Basic	2,022,292.00	273,356.00	2,295,648.00	1,963,532.45	(332,115.55)
Preschool Education Aid		100,110.00	100,110.00	99,808.05	(301.95)
CARES Education Stabilization Fund I		495,981.00	495,981.00	483,067.56	(12,913.44)
CARES Education Stabilization Fund II		1,863,339.00	1,863,339.00	101,475.04	(1,761,863.96)
CARES Coronavirus Relief Fund		387,227.00	387,227.00	387,227.00	
CARES Learning Acceleration Grant		119,579.00	119,579.00	25,000.00	(94,579.00)
CARES Mental Health Grant		45,000.00	45,000.00		(45,000.00)
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	42,061.00	(1,269.00)	40,792.00	37,161.07	(3,630.93)
<b>Total - Federal Sources</b>	<b>2,838,327.00</b>	<b>3,392,660.00</b>	<b>6,230,987.00</b>	<b>3,912,984.92</b>	<b>(2,318,002.08)</b>
State Sources:					
NJ Non-Public - Nursing Services Aid		2,346.00	2,346.00	2,346.00	
NJ Non-Public - Textbook Aid		1,405.00	1,405.00	1,209.65	(195.35)
NJ Non-Public Auxiliary - Compensatory Education		1,393.00	1,393.00	1,393.00	
NJ Non-Public - Security Aid		4,025.00	4,025.00	1,400.00	(2,625.00)
NJ Non-Public Auxiliary - Compensatory Education		1,002.00	1,002.00		(1,002.00)
NJ Non-Public Auxiliary - Transportation		707.00	707.00	588.00	(119.00)
NJ Non-Public Handicapped - Exam Class		1,300.00	1,300.00	1,299.65	(0.35)
NJ Non-Public Handicapped - Corrective Speech		11,392.00	11,392.00	9,478.56	(1,913.44)
<b>Total - State Sources</b>	<b>-</b>	<b>23,570.00</b>	<b>23,570.00</b>	<b>17,714.86</b>	<b>(5,855.14)</b>
<b>Total Revenues</b>	<b>2,978,063.00</b>	<b>3,674,514.63</b>	<b>6,652,577.63</b>	<b>5,007,213.19</b>	<b>(1,645,364.44)</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers / Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	\$ 799,471.00	\$ 76,015.00	\$ 875,486.00	\$ 301,333.24	\$ 574,152.76
Other Salaries for Instruction		251,218.00	251,218.00	199,953.72	51,264.28
Purchased Professional and Technical Services	533,878.00	(206,728.00)	327,150.00	296,800.00	30,350.00
Purchased Professional - Educational Services	474.00	13,611.00	14,085.00	12,171.21	1,913.79
Other Purchased Services (400-500 series)	633,536.00	251,464.00	885,000.00	880,629.18	4,370.82
General Supplies	101,965.00	646,018.55	747,983.55	445,933.96	302,049.59
Textbooks		1,405.00	1,405.00	1,209.65	195.35
Other Objects	221.00	1,409.00	1,630.00		1,630.00
<b>Total Instruction</b>	<u>2,069,545.00</u>	<u>1,034,412.55</u>	<u>3,103,957.55</u>	<u>2,138,030.96</u>	<u>965,926.59</u>
Support Services:					
Salaries	90,101.00	439,658.00	529,759.00	219,021.18	310,737.82
Personnel Services - Employee Benefits	19,105.00	171,199.84	190,304.84	117,251.35	73,053.49
Purchased Professional and Technical Services	408,590.00	679,210.16	1,087,800.16	831,678.11	256,122.05
Purchased Professional - Educational Services		2,346.00	2,346.00	2,346.00	
Other Purchased Services (400-500 series)	1,904.00	14,234.01	16,138.01	3,387.00	12,751.01
Supplies and Materials	351,862.00	1,304,125.03	1,655,987.03	795,862.27	860,124.76
Miscellaneous Expenditures	2,731.00	5,377.54	8,108.54	1,360.00	6,748.54
Scholarships Awarded				2,017.08	
Student Activities				799,622.11	
<b>Total Support Services</b>	<u>874,293.00</u>	<u>2,616,150.58</u>	<u>3,490,443.58</u>	<u>2,772,545.10</u>	<u>1,519,537.67</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers / Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	\$ 12,711.00	\$ (3,614.55)	\$ 9,096.45	\$ 8,777.73	\$ 318.72
Non-Instructional Equipment	21,514.00	27,566.05	49,080.05	39,675.99	9,404.06
Total Facilities Acquisition and Construction Services	<u>34,225.00</u>	<u>23,951.50</u>	<u>58,176.50</u>	<u>48,453.72</u>	<u>9,722.78</u>
Total Expenditures	<u>2,978,063.00</u>	<u>3,674,514.63</u>	<u>6,652,577.63</u>	<u>4,959,029.78</u>	<u>2,495,187.04</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>48,183.41</u>	<u>\$ 849,822.60</u>
Fund Balance, July 1				\$ -	
Prior Period Adjustments (Note 19)				<u>489,557.38</u>	
Fund Balance, July 1 (Restated)				<u>489,557.38</u>	
Fund Balance, June 30				<u>\$ 537,740.79</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 121,815.76	
Student Activities				<u>415,925.03</u>	
Total Fund Balance				<u>\$ 537,740.79</u>	

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information - Part II  
Budgetary Comparison Schedule  
Note to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2021

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-series)	\$ 165,993,483.75	\$ 5,007,213.19
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		28,331.33
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes, and State aid payment recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>141,704.00</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 166,135,187.75</u>	<u>\$ 5,035,544.52</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule (C-series)	\$ 158,315,227.28	\$ 4,959,029.78
Expenditures related to purchasing agreements are not recognized on the budgetary comparison schedule but are considered expenditures on the governmental fund financial statements.	4,038,678.87	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>28,331.33</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 162,353,906.15</u>	<u>\$ 4,987,361.11</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
PART III**

**SCHEDULES RELATED TO ACCOUNTING  
AND REPORTING FOR PENSIONS**



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

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's Proportion of the Net Pension Liability	0.1877901020%	0.1992160143%	0.2028163076%	0.1998678313%
School District's Proportionate Share of the Net Pension Liability	\$ 30,623,655.00	\$ 35,895,704.00	\$ 39,933,520.00	\$ 46,526,036.00
School District's Covered Payroll (Plan Measurement Period)	\$ 14,260,636.00	\$ 14,722,944.00	\$ 15,010,248.00	\$ 14,624,796.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	214.74%	243.81%	266.04%	318.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.2028651480%	0.2062558337%	0.2047312625%	0.2101052308%
School District's Proportionate Share of the Net Pension Liability	\$ 60,082,838.00	\$ 46,300,302.00	\$ 38,331,292.00	\$ 40,155,284.00
School District's Covered Payroll (Plan Measurement Period)	\$ 14,827,220.00	\$ 15,187,024.00	\$ 15,117,748.00	\$ 15,563,348.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	405.22%	304.87%	253.55%	258.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

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

	Fiscal Year Ended June 30,			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 2,201,111.00	\$ 2,054,331.00	\$ 1,946,949.00	\$ 2,017,367.00
Contributions in relation to the Contractually Required Contribution	<u>(2,201,111.00)</u>	<u>(2,054,331.00)</u>	<u>(1,946,949.00)</u>	<u>(2,017,367.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 13,757,289.00	\$ 13,740,628.00	\$ 13,692,560.00	\$ 14,030,222.00
Contributions as a Percentage of School District's Covered Payroll	16.00%	14.95%	14.22%	14.38%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,851,562.00	\$ 1,802,225.00	\$ 1,773,247.00	\$ 1,687,775.00
Contributions in relation to the Contractually Required Contribution	<u>(1,851,562.00)</u>	<u>(1,802,225.00)</u>	<u>(1,773,247.00)</u>	<u>(1,687,775.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 13,658,385.00	\$ 13,549,985.00	\$ 13,915,294.00	\$ 14,025,261.00
Contributions as a Percentage of School District's Covered Payroll	13.56%	13.30%	12.74%	12.03%

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

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

	<u>Measurement Date Ended June 30,</u>							
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability associated with the School District	<u>360,127,645.00</u>	<u>335,983,246.00</u>	<u>354,658,425.00</u>	<u>383,853,627.00</u>	<u>452,277,035.00</u>	<u>335,380,820.00</u>	<u>298,420,346.00</u>	<u>291,372,670.00</u>
	<u>\$ 360,127,645.00</u>	<u>\$ 335,983,246.00</u>	<u>\$ 354,658,425.00</u>	<u>\$ 383,853,627.00</u>	<u>\$ 452,277,035.00</u>	<u>\$ 335,380,820.00</u>	<u>\$ 298,420,346.00</u>	<u>\$ 291,372,670.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 70,733,800.00	\$ 69,203,144.00	\$ 68,151,116.00	\$ 67,573,936.00	\$ 68,827,112.00	\$ 68,546,704.00	\$ 62,681,564.00	\$ 64,809,200.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	509.13%	485.50%	520.40%	568.05%	657.12%	489.27%	476.09%	449.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

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

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Notes to Required Supplementary Information  
 For the Fiscal Year Ended June 30, 2021

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

***Changes in Benefit Terms:***

The June 30, 2020 measurement date included one change to the plan provisions. The Division of Pension and Benefits (DPB) adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	5.40%	2016	3.22%
2019	5.60%	2015	4.13%
2018	4.86%	2014	4.68%
2017	4.25%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

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

***Changes in Benefit Terms:***

The June 30, 2020 measurement date included two changes to the plan provisions. Chapter 157, P.L. 2019 expanded the definition of regular or assigned duties for purposes of accidental disability. The Division of Pension and Benefits (DPB) also adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	3.98%
2019	6.28%	2015	4.90%
2018	5.66%	2014	5.39%
2017	5.00%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	7.00%	2016	7.65%
2019	7.00%	2015	7.90%
2018	7.00%	2014	7.90%
2017	7.00%		

The mortality assumption was updated upon direction from the DPB.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART IV**

**SCHEDULE RELATED TO ACCOUNTING  
AND REPORTING FOR POSTEMPLOYMENT BENEFITS**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Required Supplementary Information - Part IV

Schedule of Changes in the School District's

Total OPEB Liability and Related Ratios

Last Four Plan Years

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</u>				
Changes for the Year:				
Service Cost	\$ 9,933,923.00	\$ 9,907,952.00	\$ 11,314,901.00	\$ 13,623,063.00
Interest Cost	10,267,119.00	12,748,794.00	13,871,181.00	11,984,134.00
Difference between Expected and Actual Experience	77,069,905.00	(54,869,418.00)	(36,209,898.00)	
Changes in Assumptions	84,201,665.00	4,283,215.00	(37,152,633.00)	(47,917,818.00)
Gross Benefit Payments	243,236.00	(8,818,324.00)	(8,657,123.00)	(8,808,334.00)
Member Contributions	(8,024,945.00)	261,400.00	299,204.00	324,345.00
Net Change in Total Non-Employer OPEB Liability	173,690,903.00	(36,486,381.00)	(56,534,368.00)	(30,794,610.00)
Total Non-Employer OPEB Liability - July 1	<u>287,269,718.00</u>	<u>323,756,099.00</u>	<u>380,290,467.00</u>	<u>411,085,077.00</u>
Total Non-Employer OPEB Liability - June 30	<u>\$ 460,960,621.00</u>	<u>\$ 287,269,718.00</u>	<u>\$ 323,756,099.00</u>	<u>\$ 380,290,467.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 73,154,421.00</u>	<u>\$ 73,338,544.00</u>	<u>\$ 72,903,310.00</u>	<u>\$ 70,258,624.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	630.12%	391.70%	444.09%	541.27%

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part IV  
For the Fiscal Year Ended June 30, 2021

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***Changes in Benefit Terms:***

There were no changes in benefit terms from the previous valuations.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2020	2.21%	2018	3.87%
2019	3.50%	2017	3.58%

The mortality assumption was updated upon the direction from the Division of Pension and Benefits (DPB).

The health care trend assumption is used to project the growth of the expected claims over the lifetime of the health care recipients. Medical and prescription drug trend rates are determined by utilizing experience data, industry experience which includes surveys and Aon trend guidance. These rates are adjusted further to be appropriate with respect to the plan provisions. The ultimate trend for medical and prescription drug benefits was lowered from 5.0% to 4.5%. Recent plan experience along with national trend studies indicate a reduction on the expectations of future long-term medical and prescription drug experience. For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage rates for Plan Years 2019 through 2022 are reflected. For Plan Year 2023, the Medicare Advantage trend rate includes an assumed increase in the premiums based on recent experience and discussions with the Medicare Advantage vendor. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% decreasing to a 4.5% long-term trend rate after seven years.



**OTHER SUPPLEMENTARY INFORMATION**

**Special Revenue Fund**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2021

	Every Student Succeeds Act (E.S.S.A.)						Total Carried Forward
	Title I, Part A	Title I, SIA	Title II, Part A	Title III	Title III, Immigrant	Title IV, Part A	
<b>REVENUES:</b>							
Federal Sources	\$ 563,988.67	\$ 22,982.84	\$ 140,645.40	\$ 20,650.26	\$ 1,292.45	\$ 66,154.13	\$ 815,713.75
State Sources							
Local Sources							
<b>Total Revenues</b>	<u>563,988.67</u>	<u>22,982.84</u>	<u>140,645.40</u>	<u>20,650.26</u>	<u>1,292.45</u>	<u>66,154.13</u>	<u>815,713.75</u>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	255,133.03	913.00					256,046.03
Other Salaries for Instruction	67,003.02			7,736.00			74,739.02
Purchased Professional and Technical Services							
Purchased Professional - Educational Services							
Other Purchased Services (400-500 series)							
General Supplies	118,639.73			10,906.16	1,292.45		130,838.34
Textbooks							
<b>Total Instruction</b>	<u>440,775.78</u>	<u>913.00</u>	<u>-</u>	<u>18,642.16</u>	<u>1,292.45</u>	<u>-</u>	<u>461,623.39</u>
<b>Support Services:</b>							
Salaries	22,576.00		1,330.00	945.00		22,786.00	47,637.00
Personnel Services - Employee Benefits	88,519.00	69.84	101.75	664.10		1,743.13	91,097.82
Purchased Professional and Technical Services	8,115.00	22,000.00	137,013.42			41,625.00	208,753.42
Purchased Professional - Educational Services							
Other Purchased Services (400-500 series)				399.00			399.00
Supplies and Materials	4,002.89		2,200.23				6,203.12
Miscellaneous Expenditures							
Scholarships Awarded							
Student Activities							
<b>Total Support Services</b>	<u>123,212.89</u>	<u>22,069.84</u>	<u>140,645.40</u>	<u>2,008.10</u>	<u>-</u>	<u>66,154.13</u>	<u>354,090.36</u>
<b>Facilities Acquisition and Construction Services:</b>							
Instructional Equipment							
Non-Instructional Equipment							
<b>Total Facilities Acquisition and Construction Services</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>563,988.67</u>	<u>22,982.84</u>	<u>140,645.40</u>	<u>20,650.26</u>	<u>1,292.45</u>	<u>66,154.13</u>	<u>815,713.75</u>
<b>Excess (Deficiency) of Revenues</b>							
Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustments (Note 19)	-	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2021

	Total Brought Forward	I.D.E.A. Part B, Basic	Preschool Education Aid	CARES - Educational Stabilization Fund I	CARES - Educational Stabilization Fund II	CARES - Learning Acceleration Grant	CARES - Coronavirus Relief Fund	Total Carried Forward
<b>REVENUES:</b>								
Federal Sources	\$ 815,713.75	\$ 1,963,532.45	\$ 99,808.05	\$ 483,067.56	\$ 101,475.04	\$ 25,000.00	\$ 387,227.00	\$ 3,875,823.85
State Sources								
Local Sources								
<b>Total Revenues</b>	<u>815,713.75</u>	<u>1,963,532.45</u>	<u>99,808.05</u>	<u>483,067.56</u>	<u>101,475.04</u>	<u>25,000.00</u>	<u>387,227.00</u>	<u>3,875,823.85</u>
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	256,046.03	17,920.21		1,291.00	16,346.00			291,603.24
Other Salaries for Instruction	74,739.02	125,214.70						199,953.72
Purchased Professional and Technical Services		271,800.00				25,000.00		296,800.00
Other Purchased Services (400-500 series)		880,629.18						880,629.18
General Supplies	130,838.34	64,184.13	4,698.05	107,808.00			107,808.00	415,336.52
Textbooks								
<b>Total Instruction</b>	<u>461,623.39</u>	<u>1,359,748.22</u>	<u>4,698.05</u>	<u>109,099.00</u>	<u>16,346.00</u>	<u>25,000.00</u>	<u>107,808.00</u>	<u>2,084,322.66</u>
<b>Support Services:</b>								
Salaries	47,637.00	100,108.10			71,276.08			219,021.18
Personnel Services - Employee Benefits	91,097.82	18,608.09		98.00	6,703.09			116,507.00
Purchased Professional and Technical Services	208,753.42	440,246.69	95,110.00					744,110.11
Purchased Professional - Educational Services								
Other Purchased Services (400-500 series)	399.00							399.00
Supplies and Materials	6,203.12	33,655.19		373,870.56	7,149.87		279,419.00	700,297.74
Miscellaneous Expenditures								
Scholarships Awarded								
Student Activities								
<b>Total Support Services</b>	<u>354,090.36</u>	<u>592,618.07</u>	<u>95,110.00</u>	<u>373,968.56</u>	<u>85,129.04</u>	<u>-</u>	<u>279,419.00</u>	<u>1,780,335.03</u>
<b>Facilities Acquisition and Construction Services:</b>								
Instructional Equipment		8,777.73						8,777.73
Non-Instructional Equipment		2,388.43						2,388.43
<b>Total Facilities Acquisition and Construction Services</b>	<u>-</u>	<u>11,166.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,166.16</u>
<b>Total Expenditures</b>	<u>815,713.75</u>	<u>1,963,532.45</u>	<u>99,808.05</u>	<u>483,067.56</u>	<u>101,475.04</u>	<u>25,000.00</u>	<u>387,227.00</u>	<u>3,875,823.85</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-
Prior Period Adjustments (Note 19)	-	-	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	-
<b>Fund Balance, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2021

	Total Brought Forward	Carl D. Perkins Vocational and Technical Education Act of 1988 - Secondary	NJ Non-Public Nursing Services Aid	NJ Non-Public Textbook Aid	NJ Non-Public Security Aid	NJ Non-Public Compensatory Education	Total Carried Forward
<b>REVENUES:</b>							
Federal Sources	\$ 3,875,823.85	\$ 37,161.07					\$ 3,912,984.92
State Sources			\$ 2,346.00	\$ 1,209.65	\$ 1,400.00	\$ 1,393.00	6,348.65
Local Sources							
<b>Total Revenues</b>	<u>3,875,823.85</u>	<u>37,161.07</u>	<u>2,346.00</u>	<u>1,209.65</u>	<u>1,400.00</u>	<u>1,393.00</u>	<u>3,919,333.57</u>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	291,603.24	9,730.00					301,333.24
Other Salaries for Instruction	199,953.72						199,953.72
Purchased Professional and Technical Services	296,800.00						296,800.00
Purchased Professional - Educational Services						1,393.00	1,393.00
Other Purchased Services (400-500 series)	880,629.18						880,629.18
General Supplies	415,336.52	25,507.33					440,843.85
Textbooks				1,209.65			1,209.65
<b>Total Instruction</b>	<u>2,084,322.66</u>	<u>35,237.33</u>	<u>-</u>	<u>1,209.65</u>	<u>-</u>	<u>1,393.00</u>	<u>2,122,162.64</u>
<b>Support Services:</b>							
Salaries	219,021.18						219,021.18
Personnel Services - Employee Benefits	116,507.00	744.35					117,251.35
Purchased Professional and Technical Services	744,110.11						744,110.11
Purchased Professional - Educational Services			2,346.00				2,346.00
Other Purchased Services (400-500 series)	399.00				1,400.00		1,799.00
Supplies and Materials	700,297.74	849.39					701,147.13
Miscellaneous Expenditures		330.00					330.00
Scholarships Awarded							
Student Activities							
<b>Total Support Services</b>	<u>1,780,335.03</u>	<u>1,923.74</u>	<u>2,346.00</u>	<u>-</u>	<u>1,400.00</u>	<u>-</u>	<u>1,786,004.77</u>
<b>Facilities Acquisition and Construction Services:</b>							
Instructional Equipment	8,777.73						8,777.73
Non-Instructional Equipment	2,388.43						2,388.43
<b>Total Facilities Acquisition and Construction Services</b>	<u>11,166.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,166.16</u>
<b>Total Expenditures</b>	<u>3,875,823.85</u>	<u>37,161.07</u>	<u>2,346.00</u>	<u>1,209.65</u>	<u>1,400.00</u>	<u>1,393.00</u>	<u>3,919,333.57</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustments (Note 19)	-	-	-	-	-	-	-
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-
<b>Fund Balance, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2021

	Total Brought Forward	N.J. Nonpublic Auxiliary - Transportation	N.J. Nonpublic Handicapped - Corrective Speech	N.J. Nonpublic Handicapped - Examination and Classification	Miscellaneous Local Grants	Student Activity Fund	Scholarship Fund	Total
<b>REVENUES:</b>								
Federal Sources	\$ 3,912,984.92							\$ 3,912,984.92
State Sources	6,348.65	\$ 588.00	\$ 9,478.56	\$ 1,299.65				17,714.86
Local Sources					\$ 226,690.81	\$ 848,533.44	\$ 1,289.16	1,076,513.41
<b>Total Revenues</b>	<b>3,919,333.57</b>	<b>588.00</b>	<b>9,478.56</b>	<b>1,299.65</b>	<b>226,690.81</b>	<b>848,533.44</b>	<b>1,289.16</b>	<b>5,007,213.19</b>
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	301,333.24							301,333.24
Other Salaries for Instruction	199,953.72							199,953.72
Purchased Professional and Technical Services	296,800.00							296,800.00
Purchased Professional - Educational Services	1,393.00		9,478.56	1,299.65				12,171.21
Other Purchased Services (400-500 series)	880,629.18							880,629.18
General Supplies	440,843.85				5,090.11			445,933.96
Textbooks	1,209.65							1,209.65
<b>Total Instruction</b>	<b>2,122,162.64</b>	<b>-</b>	<b>9,478.56</b>	<b>1,299.65</b>	<b>5,090.11</b>	<b>-</b>	<b>-</b>	<b>2,138,030.96</b>
<b>Support Services:</b>								
Salaries	219,021.18							219,021.18
Personnel Services - Employee Benefits	117,251.35							117,251.35
Purchased Professional and Technical Services	744,110.11				87,568.00			831,678.11
Purchased Professional - Educational Services	2,346.00							2,346.00
Other Purchased Services (400-500 series)	1,799.00	588.00			1,000.00			3,387.00
Supplies and Materials	701,147.13				94,715.14			795,862.27
Miscellaneous Expenditures	330.00				1,030.00			1,360.00
Scholarships Awarded							2,017.08	2,017.08
Student Activities						799,622.11		799,622.11
<b>Total Support Services</b>	<b>1,786,004.77</b>	<b>588.00</b>	<b>-</b>	<b>-</b>	<b>184,313.14</b>	<b>799,622.11</b>	<b>2,017.08</b>	<b>2,772,545.10</b>
<b>Facilities Acquisition and Construction Services:</b>								
Instructional Equipment	8,777.73							8,777.73
Non-Instructional Equipment	2,388.43				37,287.56			39,675.99
<b>Total Facilities Acquisition and Construction Services</b>	<b>11,166.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,287.56</b>	<b>-</b>	<b>-</b>	<b>48,453.72</b>
<b>Total Expenditures</b>	<b>3,919,333.57</b>	<b>588.00</b>	<b>9,478.56</b>	<b>1,299.65</b>	<b>226,690.81</b>	<b>799,622.11</b>	<b>2,017.08</b>	<b>4,959,029.78</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,911.33</b>	<b>(727.92)</b>	<b>48,183.41</b>
Fund Balance, July 1	-	-	-	-	-	-	-	-
Prior Period Adjustments (Note 19)	-	-	-	-	-	367,013.70	122,543.68	489,557.38
Fund Balance, July 1 (Restated)	-	-	-	-	-	367,013.70	122,543.68	489,557.38
<b>Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 415,925.03</b>	<b>\$ 121,815.76</b>	<b>\$ 537,740.79</b>

**OTHER SUPPLEMENTARY INFORMATION**

**Capital Projects Fund**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2021

<u>Project Title / Issue</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2021</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Bunker Hill Middle School - Roof	\$ 1,054,077.02	\$ 1,048,653.25		\$ 5,423.77
Washington Township High School - Roof (11/12)	1,383,129.25	1,113,221.29	\$ 120,028.09	149,879.87
Washington Township High School - Doors	31,610.00	28,310.00		3,300.00
Birches Elementary School - Roof	580,950.00	155,930.98	299,361.19	125,657.83
Gym Floors	3,101,348.32	3,054,850.54	46,497.78	
Thomas Jefferson Elementary School Roof Replacement	118,150.00		96,911.02	21,238.98
Bunker Hill School Special Education Room	16,823.00		16,822.14	0.86
Bells Elementary School Roof Replacement	366,931.51		118,061.51	248,870.00
Wedgwood Elementary Roof Replacement	320,001.40		242,419.65	77,581.75
ECC Entrance	4,426.00		4,426.00	
Bells Elementary School Parking Lot	406,354.22		40,322.42	366,031.80
	<u>\$ 7,383,800.72</u>	<u>\$ 5,400,966.06</u>	<u>\$ 984,849.80</u>	<u>\$ 997,984.86</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2021

<hr/>	
Revenues and Other Financing Sources:	
Interest and Investment Earnings	\$ 5,598.85
Local Share - Withdraw from Capital Reserve	366,031.80
	<hr/>
Total Revenues and Other Financing Sources	371,630.65
	<hr/>
Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	167,617.98
Construction Services	817,231.82
Transfer to General Fund - Interest Revenue	5,598.85
	<hr/>
Total Expenditures and Other Financing Uses	990,448.65
	<hr/>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(618,818.00)
	<hr/>
Fund Balances, July 1	1,616,802.86
	<hr/>
Fund Balances, June 30	\$ 997,984.86
	<hr/> <hr/>
Recapitulation:	
Restricted for Capital Projects:	
Year-End Encumbrances	\$ 474,780.05
Designated for Subsequent Year's Expenditures	523,204.81
	<hr/>
	\$ 997,984.86
	<hr/> <hr/>



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Bunker Hill Middle School - Roof  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	\$ 1,465,267.38	\$ (411,190.36)	\$ 1,054,077.02	\$ 1,054,077.02
<b>Total Revenues and Other Financing Sources</b>	<b>1,465,267.38</b>	<b>\$ (411,190.36)</b>	<b>1,054,077.02</b>	<b>1,054,077.02</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	95,753.25		95,753.25	101,177.02
Construction Services	952,900.00		952,900.00	952,900.00
<b>Total Expenditures and Other Financing Uses</b>	<b>1,048,653.25</b>	<b>-</b>	<b>1,048,653.25</b>	<b>1,054,077.02</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ 416,614.13</b>	<b>\$ (411,190.36)</b>	<b>\$ 5,423.77</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$1,551,000.00
Additional Authorized Cost	\$ (496,922.98)
Revised Authorized Cost	\$1,054,077.02
Percentage Increase Over Original Authorized Cost	
	0.00%
Percentage Completion	
	99.49%
Original Target Completion Date	
	10/31/18
Revised Target Completion Date	
	6/30/2020

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis

Washington Township High School - Roof (11/12)

From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	\$ 1,697,441.00	\$ (314,311.75)	\$ 1,383,129.25	\$ 1,383,129.25
<b>Total Revenues and Other Financing Sources</b>	<b>1,697,441.00</b>	<b>(314,311.75)</b>	<b>1,383,129.25</b>	<b>1,383,129.25</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	128,446.28	24,731.45	153,177.73	153,627.55
Construction Services	984,775.01	95,296.64	1,080,071.65	1,229,501.70
<b>Total Expenditures and Other Financing Uses</b>	<b>1,113,221.29</b>	<b>120,028.09</b>	<b>1,233,249.38</b>	<b>1,383,129.25</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 584,219.71</u>	<u>\$ (434,339.84)</u>	<u>\$ 149,879.87</u>	<u>\$ -</u>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 815,000.00
Additional Authorized Cost	\$ 568,129.25
Revised Authorized Cost	\$1,383,129.25
Percentage Increase Over Original Authorized Cost	
	69.71%
Percentage Completion	
	89.16%
Original Target Completion Date	
	10/31/18
Revised Target Completion Date	
	6/30/2021

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Washington Township High School - Doors  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	\$ 31,610.00		\$ 31,610.00	\$ 31,610.00
<b>Total Revenues and Other Financing Sources</b>	<b>31,610.00</b>	<b>\$ -</b>	<b>31,610.00</b>	<b>31,610.00</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services				
Construction Services	28,310.00		28,310.00	31,610.00
<b>Total Expenditures and Other Financing Uses</b>	<b>28,310.00</b>	<b>-</b>	<b>28,310.00</b>	<b>31,610.00</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ 3,300.00</b>	<b>\$ -</b>	<b>\$ 3,300.00</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 31,610.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 31,610.00
Percentage Increase Over Original Authorized Cost	
	0.00%
Percentage Completion	
	89.56%
Original Target Completion Date	
	11/15/18
Revised Target Completion Date	
	06/30/20

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis

Birches Elementary School - Roof

From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	\$ 768,600.00	\$ (187,650.00)	\$ 580,950.00	\$ 580,950.00
<b>Total Revenues and Other Financing Sources</b>	<b>768,600.00</b>	<b>(187,650.00)</b>	<b>580,950.00</b>	<b>580,950.00</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	40,807.07	17,978.29	58,785.36	59,692.00
Construction Services	115,123.91	281,382.90	396,506.81	521,258.00
<b>Total Expenditures and Other Financing Uses</b>	<b>155,930.98</b>	<b>299,361.19</b>	<b>455,292.17</b>	<b>580,950.00</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 612,669.02</u>	<u>\$ (487,011.19)</u>	<u>\$ 125,657.83</u>	<u>\$ -</u>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 180,000.00
Additional Authorized Cost	\$ 400,950.00
Revised Authorized Cost	\$ 580,950.00
Percentage Increase Over Original Authorized Cost	222.75%
Percentage Completion	78.37%
Original Target Completion Date	09/01/19
Revised Target Completion Date	06/30/21

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Gym Floors  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources:</b>				
Local Share - Transfer from Capital Outlay	\$ 838,800.43		\$ 838,800.43	\$ 838,800.43
Local Share - Withdraw from Capital Reserve	2,216,050.11	\$ 46,497.78	2,262,547.89	2,262,547.89
<b>Total Revenues and Other Financing Sources</b>	<b>3,054,850.54</b>	<b>46,497.78</b>	<b>3,101,348.32</b>	<b>3,101,348.32</b>
<b>Expenditures and Other Financing Uses:</b>				
Other Purchased Professional and Technical Services	367,790.73	3,045.50	370,836.23	370,836.23
Construction Services	2,687,059.81	43,452.28	2,730,512.09	2,730,512.09
<b>Total Expenditures and Other Financing Uses</b>	<b>3,054,850.54</b>	<b>46,497.78</b>	<b>3,101,348.32</b>	<b>3,101,348.32</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Additional Project Information:**

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$2,160,000.00
Additional Authorized Cost	\$ 941,348.32
Revised Authorized Cost	\$3,101,348.32
Percentage Increase Over Original Authorized Cost	43.58%
Percentage Completion	100.00%
Original Target Completion Date	09/01/19
Revised Target Completion Date	06/30/21

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis

Thomas Jefferson Elementary School Roof Replacement  
From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve		\$ 118,150.00	\$ 118,150.00	\$ 118,150.00
Total Revenues and Other Financing Sources	\$ -	118,150.00	118,150.00	118,150.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services		17,871.02	17,871.02	18,000.00
Construction Services		79,040.00	79,040.00	100,150.00
Total Expenditures and Other Financing Uses	-	96,911.02	96,911.02	118,150.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 21,238.98	21,238.98	-

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	\$ 118,150.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 118,150.00

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	82.02%
Original Target Completion Date	01/01/20
Revised Target Completion Date	6/30/2021

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Bunker Hill School Special Education Room  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	_____	\$ 16,823.00	\$ 16,823.00	\$ 16,823.00
Total Revenues and Other Financing Sources	\$ -	16,823.00	16,823.00	16,823.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	_____	16,822.14	16,822.14	16,823.00
Total Expenditures and Other Financing Uses	-	16,822.14	16,822.14	16,823.00
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 0.86	\$ 0.86	\$ -

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 16,823.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 16,823.00
Percentage Increase Over Original Authorized Cost	
	0.00%
Percentage Completion	
	99.99%
Original Target Completion Date	
	09/30/21
Revised Target Completion Date	
	n/a

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Bells Elementary School Roof Replacement  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve		\$ 366,931.51	\$ 366,931.51	\$ 366,931.51
<b>Total Revenues and Other Financing Sources</b>	<b>\$ -</b>	<b>366,931.51</b>	<b>366,931.51</b>	<b>366,931.51</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services		19,831.51	19,831.51	19,831.51
Construction Services		98,230.00	98,230.00	347,100.00
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>118,061.51</b>	<b>118,061.51</b>	<b>366,931.51</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ -</b>	<b>\$ 248,870.00</b>	<b>\$ 248,870.00</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 366,931.51
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 366,931.51
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	32.18%
Original Target Completion Date	09/30/21
Revised Target Completion Date	n/a



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis

Wedgwood Elementary Roof Replacement

From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve		\$ 320,001.40	\$ 320,001.40	\$ 320,001.40
<b>Total Revenues and Other Financing Sources</b>	<b>\$ -</b>	<b>320,001.40</b>	<b>320,001.40</b>	<b>320,001.40</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services		22,589.65	22,589.65	22,589.65
Construction Services		219,830.00	219,830.00	297,411.75
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>242,419.65</b>	<b>242,419.65</b>	<b>320,001.40</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ -</b>	<b>\$ 77,581.75</b>	<b>\$ 77,581.75</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 320,001.40
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 320,001.40

Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	75.76%
Original Target Completion Date	09/30/21
Revised Target Completion Date	n/a

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 ECC Entrance  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve	-	\$ 4,426.00	\$ 4,426.00	\$ 4,426.00
<b>Total Revenues and Other Financing Sources</b>	<b>\$ -</b>	<b>4,426.00</b>	<b>4,426.00</b>	<b>\$ 4,426.00</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	-	4,426.00	4,426.00	4,426.00
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>4,426.00</b>	<b>4,426.00</b>	<b>4,426.00</b>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 4,426.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 4,426.00
Percentage Increase Over Original Authorized Cost	
	0.00%
Percentage Completion	
	100.00%
Original Target Completion Date	
	09/30/21
Revised Target Completion Date	
	n/a

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis  
 Bells Parking Lot  
 From Inception and for the Fiscal Year Ended June 30, 2021

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Local Share - Withdraw from Capital Reserve		\$ 406,354.22	\$ 406,354.22	\$ 406,354.22
<b>Total Revenues and Other Financing Sources</b>	<b>\$ -</b>	<b>406,354.22</b>	<b>406,354.22</b>	<b>406,354.22</b>
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services		40,322.42	40,322.42	406,354.22
<b>Total Expenditures and Other Financing Uses</b>	<b>-</b>	<b>40,322.42</b>	<b>40,322.42</b>	<b>406,354.22</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ -</b>	<b>\$ 366,031.80</b>	<b>\$ 366,031.80</b>	<b>\$ -</b>

Additional Project Information:

Project Number	n/a
Authorized Date	n/a
Bond Authorization Date	n/a
Bonds Authorized	n/a
Bonds Issued	n/a
Original Authorized Cost	\$ 406,354.22
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 406,354.22
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	9.92%
Original Target Completion Date	06/30/21
Revised Target Completion Date	n/a

**OTHER SUPPLEMENTARY INFORMATION**

**Proprietary Funds**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Combining Statement of Net Position  
June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>ASSETS:</b>						
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 652,449.65	\$ 103,886.57	\$ 15,556.43	\$ 691,294.05	\$ 167,600.68	\$ 1,630,787.38
Interfund Accounts Receivable:						
Center for the Performing Arts	3,600.00		20,970.00			24,570.00
Intergovernmental Accounts Receivable:						
Federal	129,447.02					129,447.02
State	6,858.99					6,858.99
Other Accounts Receivable	7,589.81			43,187.23		50,777.04
Inventories	70,412.22					70,412.22
<b>Total Current Assets</b>	<u>870,357.69</u>	<u>103,886.57</u>	<u>36,526.43</u>	<u>734,481.28</u>	<u>167,600.68</u>	<u>1,912,852.65</u>
<b>Noncurrent Assets:</b>						
Machinery and Equipment	1,363,520.62	37,999.90	15,067.21	173,668.09	48,725.01	1,638,980.83
Less: Accumulated Depreciation	<u>(1,133,060.01)</u>	<u>(18,396.21)</u>	<u>(5,140.93)</u>	<u>(137,618.21)</u>	<u>(29,437.99)</u>	<u>(1,323,653.35)</u>
<b>Total Machinery and Equipment (Net of Accumulated Depreciation)</b>	<u>230,460.61</u>	<u>19,603.69</u>	<u>9,926.28</u>	<u>36,049.88</u>	<u>19,287.02</u>	<u>315,327.48</u>
<b>Total Noncurrent Assets</b>	<u>230,460.61</u>	<u>19,603.69</u>	<u>9,926.28</u>	<u>36,049.88</u>	<u>19,287.02</u>	<u>315,327.48</u>
<b>Total Assets</b>	<u>1,100,818.30</u>	<u>123,490.26</u>	<u>46,452.71</u>	<u>770,531.16</u>	<u>186,887.70</u>	<u>2,228,180.13</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**

Proprietary Funds

Business-Type Activities - Enterprise Funds

Combining Statement of Net Position

June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>LIABILITIES:</b>						
<b>Current Liabilities:</b>						
Accounts Payable	\$ 27,892.30	\$ 1,705.93		\$ 1,401.18	\$ 32.90	\$ 31,032.31
Interfund Accounts Payable:						
General Fund	999,277.00			744,384.45		1,743,661.45
Food Service Fund				3,600.00		3,600.00
Telecomm Fund				20,970.00		20,970.00
Accrued Salaries and Benefits		1,772.26	\$ 4,859.00		9,476.90	16,108.16
Customer Deposits Payable				66,915.61		66,915.61
Compensated Absences Payable	9,627.94			2,365.38		11,993.32
Unearned Revenue	43,154.79				175.00	43,329.79
<b>Total Current Liabilities</b>	<u>1,079,952.03</u>	<u>3,478.19</u>	<u>\$ 4,859.00</u>	<u>839,636.62</u>	<u>9,684.80</u>	<u>1,937,610.64</u>
<b>Noncurrent Liabilities:</b>						
Compensated Absences Payable	86,651.46	-	-	21,288.39	-	107,939.85
<b>Total Liabilities</b>	<u>1,166,603.49</u>	<u>3,478.19</u>	<u>4,859.00</u>	<u>860,925.01</u>	<u>9,684.80</u>	<u>2,045,550.49</u>
<b>NET POSITION:</b>						
Net Investment in Capital Assets	230,460.61	19,603.69	9,926.28	36,049.88	19,287.02	315,327.48
Unrestricted (Deficit)	(296,245.80)	100,408.38	31,667.43	(126,443.73)	157,915.88	(132,697.84)
<b>Total Net Position</b>	<u>\$ (65,785.19)</u>	<u>\$ 120,012.07</u>	<u>\$ 41,593.71</u>	<u>\$ (90,393.85)</u>	<u>\$ 177,202.90</u>	<u>\$ 182,629.64</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Proprietary Funds  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
OPERATING REVENUES:						
Charges for Services:						
Special Functions	\$ 15,293.25					\$ 15,293.25
Tuition		\$ 33,611.20				33,611.20
Other Activity Income			\$ 8,825.00			8,825.00
Admissions				\$ 75,424.04		75,424.04
Rentals				40,470.00		40,470.00
Registrations					\$ 78,650.00	78,650.00
Miscellaneous	1,703.17			369.72		2,072.89
Total Operating Revenues	<u>16,996.42</u>	<u>33,611.20</u>	<u>8,825.00</u>	<u>116,263.76</u>	<u>78,650.00</u>	<u>254,346.38</u>
OPERATING EXPENSES:						
Salaries	1,017,422.73	61,478.83	11,517.50	145,785.70	69,525.00	1,305,729.76
Support Services - Employee Benefits	768,161.46					768,161.46
Purchased Professional/Technical Services	469.00	767.06		6,495.04		7,731.10
Purchased Property Services	27,569.46			43,214.13	5,439.21	76,222.80
Other Purchased Services	7,756.99			12,788.97	850.00	21,395.96
Supplies and Materials	55,421.69	5,106.11		6,180.27	496.80	67,204.87
Depreciation	22,806.33	1,600.30	1,167.80	9,590.04	6,090.63	41,255.10
Cost of Sales - Reimbursable Program	498,218.76					498,218.76
Cost of Sales - Nonreimbursable Program	820.98					820.98
Miscellaneous	21,767.06			37,148.82		58,915.88
Total Operating Expenses	<u>2,420,414.46</u>	<u>68,952.30</u>	<u>12,685.30</u>	<u>261,202.97</u>	<u>82,401.64</u>	<u>2,845,656.67</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
Operating Income (Loss)	\$ (2,403,418.04)	\$ (35,341.10)	\$ (3,860.30)	\$ (144,939.21)	\$ (3,751.64)	\$ (2,591,310.29)
NONOPERATING REVENUES (EXPENSES):						
State Sources:						
State School Lunch Program	47,493.88					47,493.88
Federal Sources:						
National School Breakfast Program	428,394.15					428,394.15
National School Lunch Program	861,580.70					861,580.70
Emergency Operational Cost Program	5,293.76					5,293.76
Food Distribution Program	85,203.95					85,203.95
Interest and Investment Revenue	3,691.06			2,737.36		6,428.42
Total Nonoperating Revenues (Expenses)	1,431,657.50	-	-	2,737.36	-	1,434,394.86
Income (Loss) before Transfers	(971,760.54)	(35,341.10)	(3,860.30)	(142,201.85)	(3,751.64)	(1,156,915.43)
TRANSFERS:						
Board Contribution	813,596.70	-	-	-	-	813,596.70
Total Contributions and Transfers	813,596.70	-	-	-	-	813,596.70
Change in Net Position	(158,163.84)	(35,341.10)	(3,860.30)	(142,201.85)	(3,751.64)	(343,318.73)
Net Position, July 1	92,378.65	155,353.17	45,454.01	51,808.00	180,954.54	525,948.37
Net Position (Deficit), June 30	\$ (65,785.19)	\$ 120,012.07	\$ 41,593.71	\$ (90,393.85)	\$ 177,202.90	\$ 182,629.64



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from Customers and Users	\$ 19,331.76	\$ 33,611.20	\$ 6,325.00	\$ 83,076.53	\$ 78,200.00	\$ 220,544.49
Payments to Suppliers	(811,802.06)	(4,167.24)		(6,062.05)	(7,522.89)	(829,554.24)
Payments to Employees	<u>(1,801,391.87)</u>	<u>(59,807.32)</u>	<u>(6,658.50)</u>	<u>(141,560.04)</u>	<u>(62,991.10)</u>	<u>(2,072,408.83)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(2,593,862.17)</u>	<u>(30,363.36)</u>	<u>(333.50)</u>	<u>(64,545.56)</u>	<u>7,686.01</u>	<u>(2,681,418.58)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Federal Sources	1,275,347.30					1,275,347.30
State Sources	40,870.40					40,870.40
Operating Subsidies	<u>813,596.70</u>					<u>813,596.70</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>2,129,814.40</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,129,814.40</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Purchases of Capital Assets	<u>(21,479.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,479.00)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Interest and Dividends Received	<u>3,691.06</u>	<u>-</u>	<u>-</u>	<u>2,737.36</u>	<u>-</u>	<u>6,428.42</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(481,835.71)	(30,363.36)	(333.50)	(61,808.20)	7,686.01	(566,654.76)
Cash and Cash Equivalents, July 1	<u>1,134,285.36</u>	<u>134,249.93</u>	<u>15,889.93</u>	<u>753,102.25</u>	<u>159,914.67</u>	<u>2,197,442.14</u>
Cash and Cash Equivalents, June 30	<u>\$ 652,449.65</u>	<u>\$ 103,886.57</u>	<u>\$ 15,556.43</u>	<u>\$ 691,294.05</u>	<u>\$ 167,600.68</u>	<u>\$ 1,630,787.38</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Telecomm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Operating Income (Loss)	<u>\$ (2,403,418.04)</u>	<u>\$ (35,341.10)</u>	<u>\$ (3,860.30)</u>	<u>\$ (144,939.21)</u>	<u>\$ (3,751.64)</u>	<u>\$ (2,591,310.29)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Depreciation	22,806.33	1,600.30	1,167.80	9,590.04	6,090.63	41,255.10
Loss on Disposal of Capital Assets	2,348.65					2,348.65
(Increase) Decrease in Other Accounts Receivable	(1,734.37)			(33,187.23)		(34,921.60)
(Increase) Decrease in Inventories	(25,602.78)					(25,602.78)
Increase (Decrease) in Accounts Payable	20,857.26	1,705.93		14,703.12	(736.88)	36,529.43
Increase (Decrease) in Interfund Accounts Payable	(197,381.25)		(2,500.00)	85,062.06		(114,819.19)
Increase (Decrease) in Accrued Salaries and Benefits		1,671.51	4,859.00		6,533.90	13,064.41
Increase (Decrease) in Unearned Revenue	4,069.71				(450.00)	3,619.71
Increase (Decrease) in Compensated Absences Payable	<u>(15,807.68)</u>			<u>4,225.66</u>		<u>(11,582.02)</u>
Total Adjustments	<u>(190,444.13)</u>	<u>4,977.74</u>	<u>3,526.80</u>	<u>80,393.65</u>	<u>11,437.65</u>	<u>(90,108.29)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (2,593,862.17)</u>	<u>\$ (30,363.36)</u>	<u>\$ (333.50)</u>	<u>\$ (64,545.56)</u>	<u>\$ 7,686.01</u>	<u>\$ (2,681,418.58)</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Fund  
 Statement of Net Position  
 June 30, 2021

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	Paper Supplies & District <u>Printing</u>
<b>ASSETS:</b>	
Current Assets:	
Interfund Accounts Receivable:	
General Fund	<u>\$ 3,702.00</u>
Total Current Assets	<u>3,702.00</u>
Total Assets	<u>3,702.00</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable:	
Other	2,600.00
Accrued Salaries and Benefits	<u>1,102.00</u>
Total Current Liabilities	<u>3,702.00</u>
Total Liabilities	<u>3,702.00</u>
<b>NET POSITION:</b>	
Unrestricted	<u><u>\$ -</u></u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Fund  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2021

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	Paper Supplies & District <u>Printing</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Services Provided to Other Funds	<u>\$ 86,250.58</u>
<b>OPERATING EXPENSES:</b>	
Salaries	5,434.00
Supplies and Materials	<u>82,822.00</u>
Total Operating Expenses	<u>88,256.00</u>
Operating Income	<u>(2,005.42)</u>
Change in Net Position	(2,005.42)
Net Position, July 1	<u>2,005.42</u>
Net Position, June 30	<u><u>\$ -</u></u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Fund  
 Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2021

	<u>Paper Supplies &amp; District Printing</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers and Users	\$ 86,250.58
Payments to Suppliers	(88,003.92)
Payments to Employees	<u>(5,053.50)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(6,806.84)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Transfers to Other Funds	<u>3,828.37</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>3,828.37</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,978.47)
Cash and Cash Equivalents, July 1	<u>2,978.47</u>
Cash and Cash Equivalents, June 30	<u><u>\$ -</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	<u>\$ (2,005.42)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Increase (Decrease) in Accounts Payable	2,348.45
Increase (Decrease) in Interfund Accounts Payable	(7,530.37)
Increase (Decrease) in Accrued Salaries and Benefits	<u>380.50</u>
Total Adjustments	<u>(4,801.42)</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ (6,806.84)</u></u>

**OTHER SUPPLEMENTARY INFORMATION**

**Long-Term Debt**

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of General Serial Bonds  
 For the Fiscal Year Ended June 30, 2021

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2020</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
			<u>Date</u>	<u>Amount</u>				
Refunding Bond, Series 2012	04/03/12	\$ 7,205,000.00	03/01/22	\$ 885,000.00	2.75%	\$ 2,685,000.00	\$ 880,000.00	\$ 1,805,000.00
			03/01/23	920,000.00	3.00%			
Refunding Bond, Series 2016	12/28/16	7,550,000.00	03/01/24	1,000,000.00	4.00%	7,445,000.00		7,445,000.00
			03/01/25	1,065,000.00	4.00%			
			03/01/26	1,090,000.00	4.00%			
			03/01/27	1,090,000.00	4.00%			
			03/01/28	1,080,000.00	4.00%			
			03/01/29	1,070,000.00	3.25%			
			03/01/30	1,050,000.00	3.25%			
						<u>\$ 10,130,000.00</u>	<u>\$ 880,000.00</u>	9,250,000.00
Unamortized Premium								<u>391,983.63</u>
								<u>\$ 9,641,983.63</u>

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Obligations under Capital Leases  
 For the Fiscal Year Ended June 30, 2021

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<u>Description</u>	<u>Date of Lease</u>	<u>Term of Lease (in Months)</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2020</u>	<u>Decreases</u>	<u>Amount Outstanding June 30, 2021</u>
			<u>Principal</u>	<u>Interest</u>				
Hyper Converged Infrastructure	05/17/18	60	\$ 268,326.60	-	0.00%	<u>\$ 107,330.64</u>	<u>\$ 53,665.32</u>	<u>\$ 53,665.32</u>



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Debt Service Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Budget Modifications / Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,235,838.00	\$ -	\$ 1,235,838.00	\$ 1,235,838.00	\$ -
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest on Bonds	355,838.00		355,838.00	355,837.50	0.50
Redemption of Principal	880,000.00		880,000.00	880,000.00	
Total Regular Debt Service	1,235,838.00	-	1,235,838.00	1,235,837.50	0.50
Total Expenditures	1,235,838.00	-	1,235,838.00	1,235,837.50	0.50
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	0.50	0.50
Net Change in Fund Balance	-	-	-	0.50	0.50
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	-	-	-	\$ 0.50	\$ 0.50

**STATISTICAL SECTION**

## **Financial Trends Information**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2021 (3)	2020	2019	2018 (2)	2017	2016	2015 (1)	2014	2013	2012
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 71,938,685.05	\$ 74,537,339.26	\$ 71,466,778.78	\$ 74,895,654.68	\$ 73,824,001.68	\$ 74,128,035.23	\$ 69,025,342.04	\$ 64,446,940.48	\$ 62,323,437.51	\$ 60,435,247.21
Restricted	16,391,153.01	11,576,418.75	9,969,227.01	10,046,016.22	10,927,450.34	9,501,039.83	10,538,941.84	11,927,692.82	10,527,028.29	8,022,759.07
Unrestricted (Deficit)	<u>(43,188,496.20)</u>	<u>(48,083,430.71)</u>	<u>(46,824,649.26)</u>	<u>(52,943,090.31)</u>	<u>(53,416,269.73)</u>	<u>(46,010,510.38)</u>	<u>(40,620,212.15)</u>	<u>(1,607,179.70)</u>	<u>(920,295.05)</u>	<u>(2,178,649.98)</u>
<b>Total Governmental Activities Net Position</b>	<b>\$ 45,141,341.86</b>	<b>\$ 38,030,327.30</b>	<b>\$ 34,611,356.53</b>	<b>\$ 31,998,580.59</b>	<b>\$ 31,335,182.29</b>	<b>\$ 37,618,564.68</b>	<b>\$ 38,944,071.74</b>	<b>\$ 74,767,453.60</b>	<b>\$ 71,930,170.75</b>	<b>\$ 66,279,356.30</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 315,327.48	\$ 337,452.23	\$ 368,178.60	\$ 407,505.29	\$ 228,556.13	\$ 136,468.48	\$ 143,373.67	\$ 136,136.00	\$ 133,639.63	\$ 176,297.66
Unrestricted	<u>(132,697.84)</u>	<u>188,496.14</u>	<u>475,493.63</u>	<u>388,698.60</u>	<u>363,807.65</u>	<u>369,275.87</u>	<u>600,337.97</u>	<u>651,523.70</u>	<u>752,496.69</u>	<u>618,592.96</u>
<b>Total Business-Type Activities Net Position</b>	<b>\$ 182,629.64</b>	<b>\$ 525,948.37</b>	<b>\$ 843,672.23</b>	<b>\$ 796,203.89</b>	<b>\$ 592,363.78</b>	<b>\$ 505,744.35</b>	<b>\$ 743,711.64</b>	<b>\$ 787,659.70</b>	<b>\$ 886,136.32</b>	<b>\$ 794,890.62</b>
<b>Government-Wide:</b>										
Net Investment in Capital Assets	\$ 72,254,012.53	\$ 74,874,791.49	\$ 71,834,957.38	\$ 75,303,159.97	\$ 74,052,557.81	\$ 74,264,503.71	\$ 69,168,715.71	\$ 64,583,076.48	\$ 62,457,077.14	\$ 60,611,544.87
Restricted	16,391,153.01	11,576,418.75	9,969,227.01	10,046,016.22	10,927,450.34	9,501,039.83	10,538,941.84	11,927,692.82	10,527,028.29	8,022,759.07
Unrestricted (Deficit)	<u>(43,321,194.04)</u>	<u>(47,894,934.57)</u>	<u>(46,349,155.63)</u>	<u>(52,554,391.71)</u>	<u>(53,052,462.08)</u>	<u>(45,641,234.51)</u>	<u>(40,019,874.18)</u>	<u>(955,656.00)</u>	<u>(167,798.36)</u>	<u>(1,560,057.02)</u>
<b>Total Government-Wide Net Position</b>	<b>\$ 45,323,971.50</b>	<b>\$ 38,556,275.67</b>	<b>\$ 35,455,028.76</b>	<b>\$ 32,794,784.48</b>	<b>\$ 31,927,546.07</b>	<b>\$ 38,124,309.03</b>	<b>\$ 39,687,783.38</b>	<b>\$ 75,555,113.30</b>	<b>\$ 72,816,307.07</b>	<b>\$ 67,074,246.92</b>

(1) Year of implementation of Governmental Accounting Standards Board Statement Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, No. 68, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

(2) Year of implementation of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

(3) Year of implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities.

Source: Annual Comprehensive Financial Report Exhibit A-1.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
 Unaudited

	Fiscal Year Ended June 30,									
	2021 (3)	2020	2019	2018 (2)	2017	2016	2015 (1)	2014	2013	2012
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
<b>Instruction:</b>										
Regular	\$ 41,983,738.83	\$ 40,669,690.18	\$ 40,972,349.98	\$ 43,665,460.84	\$ 47,877,797.24	\$ 45,681,658.48	\$ 43,722,021.40	\$ 44,004,430.84	\$ 42,050,376.89	\$ 42,162,714.72
Special Education	12,546,188.61	12,259,477.90	11,864,431.26	11,434,216.18	11,449,680.78	11,407,742.78	11,564,327.49	11,141,900.52	10,493,192.58	10,060,166.77
Other Special Instruction	3,486,418.26	3,372,875.43	3,103,901.39	3,123,566.93	3,046,251.97	3,289,831.56	3,030,140.96	2,858,018.85	2,547,793.39	2,365,553.51
Other Instruction	2,494,377.14	2,549,419.20	2,425,291.33	2,273,925.95	1,860,189.94	1,843,804.83	1,774,257.44	1,735,106.22	1,692,158.85	1,637,331.97
<b>Support Services:</b>										
Tuition	5,766,458.05	5,887,423.58	6,139,170.55	6,708,123.32	7,064,431.94	7,338,018.71	7,245,843.72	7,028,827.24	7,238,858.59	7,004,602.42
Student and Instruction Related Services	18,253,912.65	16,832,354.19	16,945,342.57	16,291,469.43	15,551,182.02	14,622,128.37	14,586,188.19	14,697,982.66	14,698,725.64	13,962,117.38
Other Administrative Services	4,459,395.20	5,890,789.47	6,392,300.04	3,539,878.91	2,757,303.19	3,005,364.77	5,147,395.51	4,500,227.61	4,821,196.56	4,582,911.55
School Administrative Services	6,289,497.99	6,613,155.11	6,490,511.06	6,507,291.40	6,469,473.93	6,451,866.09	6,365,036.00	6,262,257.63	6,227,860.46	6,040,439.21
Plant Operations and Maintenance	16,681,412.82	12,877,585.28	12,786,893.72	12,732,108.67	11,999,622.78	10,573,489.78	10,114,755.15	10,534,499.72	10,541,146.01	10,561,820.62
Pupil Transportation	5,673,604.75	5,634,468.96	6,532,001.47	6,733,532.02	6,638,858.09	6,266,828.88	5,949,505.35	5,594,500.64	5,447,768.18	5,567,099.85
Personal Services - Employee Benefits	67,834,982.19	52,081,659.51	62,093,131.67	77,439,718.42	73,969,300.94	57,475,981.57	50,186,819.88	35,398,679.41	33,208,489.44	33,431,965.86
Transfer of Funds to Charter School	124,132.00	141,915.00	172,527.00	219,640.00	182,483.00	253,853.00	262,155.00	186,230.33	162,550.00	74,113.00
Interest on Long-term Debt	392,602.52	646,878.08	258,418.93	449,905.88	429,140.76	574,693.25	850,570.58	953,351.89	959,295.12	1,377,367.54
Other Administrative Services									320,612.43	
Amortization of Bond Issuance Costs										40,871.32
Loss on Disposal of Capital Assets	172,904.00	17,437.35	24,768.58							
<b>Total Governmental Activities Expenses</b>	<b>186,159,625.01</b>	<b>165,475,129.24</b>	<b>176,201,039.55</b>	<b>191,118,837.95</b>	<b>189,295,716.58</b>	<b>168,785,262.07</b>	<b>160,799,016.67</b>	<b>144,896,013.56</b>	<b>140,410,024.14</b>	<b>138,869,075.72</b>
<b>Business-Type Activities:</b>										
Food Service	2,420,414.46	2,809,756.19	3,038,743.45	3,224,883.91	3,395,003.50	3,253,463.19	3,228,535.95	3,350,498.35	3,184,209.69	3,371,602.00
Child Care Program	68,952.30	116,662.36	125,870.65	142,527.76	107,983.84	125,537.61	113,324.52	133,750.22	128,462.66	96,330.50
Telecomm	12,685.30	6,132.92	8,254.58	10,955.21	8,686.49	12,734.64	13,033.88	14,357.32	14,357.32	13,426.27
Center for the Performing Arts	261,202.97	282,836.29	314,813.70	571,577.37						
Drivers Education	82,401.64	60,435.36	73,026.63	59,979.20	576,569.28	602,394.27	546,548.84	541,744.37	588,632.41	437,446.61
Tech Crew					63,118.46	76,223.57	63,357.95	60,689.90	59,382.63	58,205.04
<b>Total Business-Type Activities Expense</b>	<b>2,845,656.67</b>	<b>3,275,823.12</b>	<b>3,560,709.01</b>	<b>4,009,923.45</b>	<b>4,151,361.57</b>	<b>4,070,376.70</b>	<b>3,964,501.90</b>	<b>4,099,716.72</b>	<b>3,975,044.71</b>	<b>3,977,010.42</b>
<b>Total District Expense</b>	<b>\$ 189,005,281.68</b>	<b>\$ 168,750,952.36</b>	<b>\$ 179,761,748.56</b>	<b>\$ 195,128,761.40</b>	<b>\$ 193,447,078.15</b>	<b>\$ 172,855,638.77</b>	<b>\$ 164,763,518.57</b>	<b>\$ 148,995,730.28</b>	<b>\$ 144,385,068.85</b>	<b>\$ 142,846,086.14</b>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges for Services	\$ 1,082,849.59	\$ 715,522.74	\$ 1,129,888.13	\$ 145,700.09	\$ 155,277.47	\$ 155,053.75	\$ 192,321.20	\$ 163,207.95	\$ 192,050.20	\$ 191,032.91
Operating Grants and Contributions	50,204,597.08	30,451,380.73	39,723,432.20	54,147,072.41	46,562,687.79	33,269,464.60	27,658,156.59	13,995,741.00	15,039,055.87	13,385,439.79
Capital Grants and Contributions	28,366.16	27,152.03	29,427.79							
<b>Total Governmental Activities Program Revenues</b>	<b>51,315,812.83</b>	<b>31,194,055.50</b>	<b>40,882,748.12</b>	<b>54,292,772.50</b>	<b>46,717,965.26</b>	<b>33,424,518.35</b>	<b>27,850,477.79</b>	<b>14,158,948.95</b>	<b>15,231,106.07</b>	<b>13,576,472.70</b>
<b>Business-Type Activities:</b>										
<b>Charges for services:</b>										
Food Service	16,996.42	893,444.21	1,343,672.84	1,295,981.53	1,281,384.84	1,233,533.68	1,279,490.82	1,433,997.37	1,625,864.21	1,848,745.20
Child Care Program	33,611.20	63,378.16	104,096.00	128,350.10	125,545.26	141,414.00	143,066.00	170,387.77	163,562.08	153,650.18
Telecomm	8,825.00	14,750.00	17,266.00	12,410.00	14,390.00	13,375.00	18,130.00	16,605.00	16,950.00	16,993.00
Center for the Performing Arts	116,263.76	273,964.12	264,075.57	571,873.19	598,415.37	592,139.03	574,494.04	546,878.07	641,805.17	387,992.23
Drivers Education	78,650.00	64,212.50	63,962.50	63,450.00	70,960.00	75,600.00	69,975.00	66,750.00	68,988.00	66,825.00
Operating Grants and Contributions	1,427,966.44	791,514.13	899,757.53	876,176.98	903,105.86	840,980.56	886,925.12	820,318.58	800,580.21	815,177.50
<b>Total Business-Type Activities Program Revenues</b>	<b>1,682,312.82</b>	<b>2,101,263.12</b>	<b>2,692,830.44</b>	<b>2,948,241.80</b>	<b>2,993,801.33</b>	<b>2,897,042.27</b>	<b>2,972,080.98</b>	<b>3,054,936.79</b>	<b>3,317,749.67</b>	<b>3,289,383.11</b>
<b>Total District Program Revenues</b>	<b>\$ 52,998,125.65</b>	<b>\$ 33,295,318.62</b>	<b>\$ 43,575,578.56</b>	<b>\$ 57,241,014.30</b>	<b>\$ 49,711,766.59</b>	<b>\$ 36,321,560.62</b>	<b>\$ 30,822,558.77</b>	<b>\$ 17,213,885.74</b>	<b>\$ 18,548,855.74</b>	<b>\$ 16,865,855.81</b>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2021 (3)	2020	2019	2018 (2)	2017	2016	2015 (1)	2014	2013	2012
<b>Net (Expense) / Revenue:</b>										
Governmental Activities	\$ (134,843,812.18)	\$ (134,281,073.74)	\$ (135,318,291.43)	\$ (136,826,065.45)	\$ (142,577,751.32)	\$ (135,360,743.72)	\$ (132,948,538.87)	\$ (130,737,064.61)	\$ (125,178,918.07)	\$ (125,292,603.02)
Business-Type Activities	(1,163,343.85)	(1,174,560.00)	(867,878.57)	(1,061,681.65)	(1,157,560.24)	(1,173,334.43)	(992,420.92)	(1,044,779.93)	(657,295.04)	(687,627.31)
<b>Total Government-Wide Net Expense</b>	<b>\$ (136,007,156.03)</b>	<b>\$ (135,455,633.74)</b>	<b>\$ (136,186,170.00)</b>	<b>\$ (137,887,747.10)</b>	<b>\$ (143,735,311.56)</b>	<b>\$ (136,534,078.15)</b>	<b>\$ (133,940,959.79)</b>	<b>\$ (131,781,844.54)</b>	<b>\$ (125,836,213.11)</b>	<b>\$ (125,980,230.33)</b>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes, Levied for General Purposes	\$ 88,688,142.00	\$ 86,949,159.00	\$ 85,549,647.00	\$ 84,702,621.00	\$ 83,041,785.00	\$ 81,413,515.00	\$ 79,319,457.00	\$ 76,572,161.00	\$ 74,973,363.00	\$ 70,578,295.00
Property Taxes, Levied for Debt Service	1,235,838.00	1,240,300.00	1,234,916.00	1,239,800.00	1,175,221.00	2,885,059.00	2,892,116.00	3,062,028.00	3,314,529.00	3,408,971.00
Federal and State Aid - Unrestricted	49,923,935.80	49,305,860.78	50,904,952.29	51,290,651.46	52,206,591.64	53,333,737.74	55,018,059.95	52,494,962.97	52,220,072.16	54,633,003.06
Interest and Investment Earnings - Unrestricted	138,943.56	413,182.99	582,432.61	348,728.99	172,441.60	103,867.77	87,490.12	105,291.43	254,184.63	108,823.74
Interest and Investment Earnings - Restricted	11,330.23	30,090.99	52,777.69							
Miscellaneous Income	821,459.28	593,009.78	480,176.65	1,179,567.14	1,074,343.18	1,195,110.16	902,184.52	1,934,751.85	880,533.89	840,494.87
Refund of Prior Year Revenue							(22,447.00)	(344.00)	(971.69)	
Cancellation of Prior Year Accounts Payable								344.00		
Cancellation of Prior Year Accounts Receivable							(1,453.51)	(25,000.89)	(26,790.69)	(34,751.00)
Donation of Assets						34,316.24		18,410.00		
Gain (Loss) on Disposal of Capital Assets				(24,664.22)	(129,975.63)	(7,749.28)	9,058.97	341,434.91	(47,038.39)	(2,695.00)
Transfers	(813,596.70)	(831,559.03)	(873,834.87)	(1,102,525.47)	(1,246,037.86)	(929,489.91)	(924,025.03)	(929,691.81)	(738,149.39)	(723,851.14)
<b>Total Governmental Activities</b>	<b>140,006,052.17</b>	<b>137,700,044.51</b>	<b>137,931,067.37</b>	<b>137,634,178.90</b>	<b>136,294,368.93</b>	<b>138,028,366.72</b>	<b>137,280,441.02</b>	<b>133,574,347.46</b>	<b>130,829,732.52</b>	<b>128,808,290.53</b>
Business-Type Activities:										
Interest and Investment Earnings - Unrestricted	6,428.42	25,277.11	41,512.04	18,281.14	8,629.51	5,877.23	5,452.62	5,486.20	10,391.35	3,547.63
Gain (Loss) on Disposal of Capital Assets					(10,487.70)					(758.06)
Miscellaneous Income								11,125.30		
Donation of Assets							19,327.50			
Accounts Receivable Canceled							(332.29)			(2,713.93)
Transfers	813,596.70	831,559.03	873,834.87	1,102,525.47	1,246,037.86	929,489.91	924,025.03	929,691.81	738,149.39	723,851.14
<b>Total Business-Type Activities</b>	<b>820,025.12</b>	<b>856,836.14</b>	<b>915,346.91</b>	<b>1,120,806.61</b>	<b>1,244,179.67</b>	<b>935,367.14</b>	<b>948,472.86</b>	<b>946,303.31</b>	<b>748,540.74</b>	<b>723,926.78</b>
<b>Total Government-Wide</b>	<b>\$ 140,826,077.29</b>	<b>\$ 138,556,880.65</b>	<b>\$ 138,846,414.28</b>	<b>\$ 138,754,985.51</b>	<b>\$ 137,538,548.60</b>	<b>\$ 138,963,733.86</b>	<b>\$ 138,228,913.88</b>	<b>\$ 134,520,650.77</b>	<b>\$ 131,578,273.26</b>	<b>\$ 129,532,217.31</b>
<b>Change in Net Position:</b>										
Governmental Activities	\$ 5,162,239.99	\$ 3,418,970.77	\$ 2,612,775.94	\$ 808,113.45	\$ (6,283,382.39)	\$ 2,667,623.00	\$ 4,331,902.15	\$ 2,837,282.85	\$ 5,650,814.45	\$ 3,515,687.51
Business-Type Activities	(343,318.73)	(317,723.86)	47,468.34	59,124.96	86,619.43	(237,967.29)	(43,948.06)	(98,476.62)	91,245.70	36,299.47
<b>Total Government-Wide</b>	<b>\$ 4,818,921.26</b>	<b>\$ 3,101,246.91</b>	<b>\$ 2,660,244.28</b>	<b>\$ 867,238.41</b>	<b>\$ (6,196,762.96)</b>	<b>\$ 2,429,655.71</b>	<b>\$ 4,287,954.09</b>	<b>\$ 2,738,806.23</b>	<b>\$ 5,742,060.15</b>	<b>\$ 3,551,986.98</b>

(1) Year of implementation of Governmental Accounting Standards Board Statement Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, No. 68, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

(2) Year of implementation of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

(3) Year of implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities.

Source: Annual Comprehensive Financial Report Exhibit A-1.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2021 (1)	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Restricted	\$ 14,855,426.86	\$ 9,959,615.89	\$ 6,922,820.39	\$ 6,833,375.54	\$ 8,201,918.77	\$ 8,328,624.59	\$ 9,403,897.20	\$ 10,804,064.18	\$ 9,949,186.54	\$ 7,107,643.24
Committed	662,516.28	717,627.15	591,089.18	1,227,491.08	1,761,694.96	3,271,515.20				
Assigned	4,977,145.99	5,980,144.34	7,617,276.93	7,365,435.35	5,042,383.65	6,592,319.88	4,393,655.42	3,527,314.29	4,266,115.78	4,668,322.92
Unassigned	7,863,547.29	3,651,211.90	3,870,166.11	3,264,015.73	3,472,839.52	3,151,117.74	2,855,104.53	2,997,811.41	2,879,337.90	3,048,560.87
<b>Total General Fund</b>	<b>\$ 28,358,636.42</b>	<b>\$ 20,308,599.28</b>	<b>\$ 19,001,352.61</b>	<b>\$ 18,690,317.70</b>	<b>\$ 18,478,836.90</b>	<b>\$ 21,343,577.41</b>	<b>\$ 16,652,657.15</b>	<b>\$ 17,329,189.88</b>	<b>\$ 17,094,640.22</b>	<b>\$ 14,824,527.03</b>
All Other Governmental Funds:										
Restricted, Reported in:										
Special Revenue Fund	\$ 537,740.79									
Capital Projects Fund	997,984.86	\$ 1,616,802.86	\$ 3,046,406.62	\$ 3,212,640.68	\$ 2,725,531.57	\$ 1,172,415.24	\$ 1,135,044.64	\$ 1,123,628.64	\$ 577,841.74	\$ 621,220.31
Debt Service Fund	0.50			2,284.00	2,283.74	118,179.67	118,219.58	93,210.91	101,223.91	8,053.48
<b>Total All Other Governmental Funds</b>	<b>\$ 1,535,726.15</b>	<b>\$ 1,616,802.86</b>	<b>\$ 3,046,406.62</b>	<b>\$ 3,214,924.68</b>	<b>\$ 2,727,815.31</b>	<b>\$ 1,290,594.91</b>	<b>\$ 1,253,264.22</b>	<b>\$ 1,216,839.55</b>	<b>\$ 679,065.65</b>	<b>\$ 629,273.79</b>

(1) Year of implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities.

Source: Annual Comprehensive Financial Report Exhibit A-1.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2021 (1)	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues:</b>										
Local Tax Levy	\$ 89,923,980.00	\$ 88,189,459.00	\$ 86,784,563.00	\$ 85,942,421.00	\$ 84,217,006.00	\$ 84,298,574.00	\$ 82,211,573.00	\$ 79,634,189.00	\$ 78,287,892.00	\$ 73,987,266.00
Tuition Charges	996,599.01	599,637.54	1,129,888.13	392,811.79	521,074.66	713,888.46	493,668.86	485,863.34	467,357.94	301,908.22
Other Restricted Miscellaneous Revenues	11,330.23	30,090.99	52,777.69							
Unrestricted Miscellaneous Revenues	960,402.84	1,006,192.77	1,062,609.26	1,135,484.34	725,710.12	585,089.45	464,764.00	1,553,743.63	667,359.13	647,409.58
Federal Sources	4,191,483.34	2,963,947.58	3,054,223.39	3,146,859.81	3,108,658.13	3,102,332.72	3,088,982.11	2,981,360.17	3,092,404.70	5,083,007.86
State Sources	75,165,048.58	70,110,920.75	70,975,034.12	69,233,902.06	67,858,076.30	67,407,550.62	66,398,198.43	63,509,343.80	64,166,723.33	62,935,434.99
Local Sources	1,163,325.12	103,102.21	130,176.77							
<b>Total Revenue</b>	<b>172,412,169.12</b>	<b>163,003,350.84</b>	<b>163,189,272.36</b>	<b>159,851,479.00</b>	<b>156,430,525.21</b>	<b>156,107,435.25</b>	<b>152,657,186.40</b>	<b>148,164,499.94</b>	<b>146,681,737.10</b>	<b>142,955,026.65</b>
<b>Expenditures:</b>										
<b>Current:</b>										
<b>Instruction:</b>										
Regular Instruction	43,768,497.82	41,878,455.30	43,083,432.22	42,826,076.13	45,405,756.49	43,502,804.50	41,477,267.50	41,586,757.08	41,029,832.78	41,128,268.03
Special Education Instruction	12,500,220.43	12,216,966.33	11,894,149.22	11,426,878.93	11,435,269.08	11,268,895.26	11,401,974.00	11,032,084.53	10,265,063.86	10,046,255.17
Other Special Instruction	3,498,587.99	3,375,250.19	3,131,035.70	3,123,566.93	3,046,251.97	3,289,831.56	3,030,140.96	2,858,018.85	2,547,793.39	2,365,553.51
Other Instruction	2,488,297.25	2,548,283.72	2,429,627.52	2,273,925.95	1,860,189.94	1,843,804.83	1,774,257.44	1,735,106.22	1,692,158.85	1,637,331.97
<b>Support Services and Undistributed Costs:</b>										
Tuition	5,766,458.05	5,887,423.58	6,139,170.55	6,708,123.32	7,064,431.94	7,338,018.71	7,245,843.72	7,028,827.24	7,238,858.59	7,004,602.42
Student and Instruction Related Services	18,328,593.60	16,830,220.17	16,933,260.22	16,271,430.47	15,529,738.96	14,588,340.15	14,550,703.43	14,661,286.22	14,647,269.23	13,921,953.19
Other Administrative Services	4,300,282.46	4,240,241.12	4,620,675.81	4,561,703.48	4,991,248.80	4,633,591.26	4,340,810.44	3,961,739.40	3,754,890.66	3,775,706.10
School Administrative Services	6,286,509.00	6,613,262.12	6,522,937.04	6,507,291.40	6,469,473.93	6,451,866.09	6,365,036.00	6,262,257.63	6,227,860.46	6,040,439.21
Plant Operations and Maintenance	12,174,654.26	11,326,532.48	11,294,931.76	11,531,695.23	11,030,683.83	9,669,756.60	9,301,939.78	9,630,638.36	9,251,479.89	9,011,523.94
Pupil Transportation	5,788,061.32	5,773,291.93	6,558,292.31	6,196,200.11	6,166,849.68	5,905,058.25	5,665,124.70	5,347,321.44	5,171,664.45	5,291,148.28
Personal Services - Employee Benefits	50,323,263.37	46,134,114.91	45,628,613.67	43,140,240.40	42,277,170.05	40,467,495.28	37,355,574.99	35,290,605.36	34,824,514.02	31,792,616.94
Capital Outlay	2,978,559.51	8,122,892.05	6,377,067.62	6,572,602.22	4,591,660.20	4,427,302.93	6,964,090.96	3,154,921.02	2,941,696.85	2,158,905.54
Transfer of Funds to Charter Schools	124,132.00	141,915.00	172,527.00	219,640.00	182,483.00	253,853.00	262,155.00	186,230.33	162,550.00	74,113.00
<b>Debt Service:</b>										
Principal	880,000.00	865,000.00	845,000.00	884,515.39	1,061,175.59	3,450,000.00	3,525,000.00	3,545,000.00	3,720,000.00	3,520,000.00
Interest and Other Charges	355,837.50	375,300.00	392,200.00	424,800.00	366,116.26	577,099.91	683,050.00	793,650.00	937,737.25	1,381,137.50
<b>Total Expenditures</b>	<b>169,561,954.56</b>	<b>166,329,148.90</b>	<b>166,022,920.64</b>	<b>162,668,689.96</b>	<b>161,478,499.72</b>	<b>157,667,718.33</b>	<b>153,942,968.92</b>	<b>147,074,443.68</b>	<b>144,413,370.28</b>	<b>139,149,554.80</b>
<b>Excess (Deficiency) of Revenues</b>	<b>2,850,214.56</b>	<b>(3,325,798.06)</b>	<b>(2,833,648.28)</b>	<b>(2,817,210.96)</b>	<b>(5,047,974.51)</b>	<b>(1,560,283.08)</b>	<b>(1,285,782.52)</b>	<b>1,090,056.26</b>	<b>2,268,366.82</b>	<b>3,805,471.85</b>
<b>Other Financing Sources (Uses):</b>										
Capital Leases (Non-budgeted)				268,326.60			1,593,600.00	636,960.00	817,450.00	673,341.00
Cancellation of Accounts Receivable							(1,453.51)	(25,000.89)	(26,790.69)	(34,751.00)
Refund of Prior Year Revenue							(22,447.00)		(971.69)	
Payment to Refunding Bond Escrow Agent					(7,990,180.19)				(9,438,031.42)	(7,348,828.64)
Cost of Issuance - Refunding Bonds									(92,233.08)	(105,278.71)
Proceeds from Borrowing and Financing Agreements	3,983,568.00	4,035,000.00	3,850,000.00	4,350,000.00	4,768,500.00	6,168,000.00				
Proceeds from Issuance of School Bonds					7,550,000.00				9,095,000.00	7,205,000.00
Premium on School Bonds Issued and Accrued Interest					538,172.45				435,264.50	249,107.35
Operating Transfers	(813,596.70)	(831,559.03)	(873,834.87)	(1,102,525.47)	(1,246,037.86)	(929,489.91)	(924,025.03)	(929,691.81)	(738,149.39)	(723,851.14)
<b>Total Other Financing Sources (Uses)</b>	<b>3,169,971.30</b>	<b>3,203,440.97</b>	<b>2,976,165.13</b>	<b>3,515,801.13</b>	<b>3,620,454.40</b>	<b>5,238,510.09</b>	<b>645,674.46</b>	<b>(317,732.70)</b>	<b>51,538.23</b>	<b>(85,261.14)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 6,020,185.86</b>	<b>\$ (122,357.09)</b>	<b>\$ 142,516.85</b>	<b>\$ 698,590.17</b>	<b>\$ (1,427,520.11)</b>	<b>\$ 3,678,227.01</b>	<b>\$ (640,108.06)</b>	<b>\$ 772,323.56</b>	<b>\$ 2,319,905.05</b>	<b>\$ 3,720,210.71</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.7%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.9%</b>	<b>2.6%</b>	<b>2.9%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>3.6%</b>

(1) Year of implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities.

Source: Annual Comprehensive Financial Report Exhibit A-1.



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 General Fund - Unrestricted Miscellaneous Revenues by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Accounts Payable Canceled				\$ 121,245.49	\$ 16,962.22	\$ 35,727.99	\$ 55,023.92	\$ 922,437.13		
Advertising Fees for School Buses	\$ 3,271.00	\$ 37,946.22	\$ 36,213.32	16,146.89	20,219.11	5,479.50	8,775.00	5,267.92	\$ 3,201.32	
Air Force ROTC Reimbursements	99,355.52	95,532.22	89,597.30	96,743.66	91,839.00	98,182.13	98,961.09	109,170.27	108,840.94	\$ 78,328.57
E-Rate	124,479.05	78,253.56	101,267.26							
FEMA						53,171.73				
Gate Receipts		20,016.00	16,987.00	16,099.00	17,159.00	21,954.00	17,387.00	18,687.00	21,711.00	18,901.00
Interest on Investments	138,943.56	413,182.99	582,432.61	324,045.29	157,960.68	98,931.95	85,314.55	94,170.10	235,812.79	100,583.63
Miscellaneous	64,951.07	58,023.66	57,658.48	22,173.52	12,034.72	7,970.37	527.57	23,745.48	11,854.16	89,315.56
Refunds of Prior Year's Expenditures	252,540.09	128,585.20	61,294.43	180,574.40	215,263.06	165,432.60	140,145.28	344,259.26	228,925.53	253,021.90
Rentals	150.00	61,694.14	113,249.76	158,568.44	127,472.76	126,135.59	109,400.39	98,632.23	67,241.38	47,263.43
Sale of Equipment	15,270.92	1,545.30	3,909.10	6,438.20	5,172.50	6,688.15	2,790.51	745.25	4,460.00	2,516.60
Summer Programs									15,838.42	
Washington Square PILOT	261,441.63	111,413.48								
Tuition				392,811.79	521,074.66	713,888.46	493,668.86	485,863.34	467,357.94	301,908.22
	<u>\$ 960,402.84</u>	<u>\$ 1,006,192.77</u>	<u>\$ 1,062,609.26</u>	<u>\$ 1,334,846.68</u>	<u>\$ 1,185,157.71</u>	<u>\$ 1,333,562.47</u>	<u>\$ 1,011,994.17</u>	<u>\$ 2,102,977.98</u>	<u>\$ 1,165,243.48</u>	<u>\$ 891,838.91</u>

Source: School District records.

## **Revenue Capacity Information**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Years  
*Unaudited*

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>(1)</sup>	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized ) Value	Total Direct School Tax Rate <sup>(2)</sup>
2021	\$ 55,280,300.00	\$ 3,780,486,000.00	\$ 5,279,100.00	\$ 818,726,015.00	\$ 9,842,200.00	\$ 50,838,000.00	\$ 4,720,451,615.00	\$ 5,110,754.00	\$ 4,726,112,369.00	\$ 463,104,300.00	\$ 4,936,162,378.00	\$ 1.920
2020	59,627,400.00	3,761,563,900.00	4,807,100.00	819,961,965.00	9,842,200.00	50,838,000.00	4,706,640,565.00	4,887,481.00	4,711,528,046.00	460,624,900.00	4,862,020,002.00	1.890
2019	48,881,700.00	3,406,608,000.00	5,162,300.00	741,104,515.00	6,674,400.00	52,452,000.00	4,260,882,915.00	4,432,929.00	4,265,315,844.00	400,543,500.00	4,658,098,509.00	2.052
2018	54,273,100.00	3,400,109,200.00	4,819,600.00	733,249,300.00	6,727,900.00	58,445,900.00	4,257,625,000.00	4,422,553.00	4,262,047,553.00	468,530,600.00	4,697,867,171.00	2.027
2017	40,551,300.00	3,397,484,400.00	4,966,000.00	744,805,500.00	7,127,900.00	58,445,900.00	4,253,381,000.00	5,070,544.00	4,258,451,544.00	468,561,800.00	4,541,784,303.00	1.998
2016	38,031,000.00	3,384,306,100.00	5,021,900.00	727,653,800.00	9,203,400.00	68,105,000.00	4,232,321,200.00	5,208,364.00	4,237,529,564.00	468,561,800.00	4,464,944,825.00	1.989
2015	38,422,900.00	3,382,794,000.00	4,610,000.00	742,553,500.00	9,757,900.00	68,308,600.00	4,246,446,900.00	5,529,904.00	4,251,976,804.00	465,556,900.00	4,452,135,563.00	1.959
2014	37,005,500.00	3,385,410,500.00	5,561,200.00	722,086,100.00	10,194,500.00	68,658,600.00	4,228,916,400.00	5,424,948.00	4,234,341,348.00	494,659,200.00	4,457,590,808.00	1.912
2013 <sup>(1)</sup>	37,156,900.00	3,389,076,100.00	6,145,900.00	733,075,800.00	10,445,300.00	69,942,000.00	4,245,842,000.00	7,355,354.00	4,253,197,354.00	496,223,700.00	4,517,814,429.00	1.857
2012	27,303,200.00	2,074,323,500.00	4,242,700.00	407,604,400.00	6,167,100.00	38,745,500.00	2,558,386,400.00	4,108,807.00	2,562,495,207.00	210,317,700.00	4,839,013,429.00	2.972

<sup>(1)</sup> revaluation

<sup>(1)</sup> taxable value of communication equipment.

<sup>(2)</sup> tax rates are per \$100.00 of assessed valuation.

Source: Gloucester County Board of Taxation.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Years  
 (Rate per \$100 of Assessed Value)  
*Unaudited*

Year Ended Dec. 31	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Township of Washington	Township of Washington Fire District	Gloucester County	
2021	\$ 1.894	\$ 0.026	\$ 1.920	\$ 0.648	\$ 0.147	\$ 0.728	\$ 3.443
2020	1.863	0.027	1.890	0.633	0.139	0.719	3.381
2019	2.022	0.029	2.052	0.701	0.144	0.748	3.645
2018	1.998	0.029	2.027	0.702	0.138	0.737	3.604
2017	1.970	0.028	1.998	0.702	0.139	0.720	3.559
2016	1.941	0.048	1.989	0.703	0.140	0.706	3.538
2015	1.891	0.068	1.959	0.702	0.139	0.688	3.488
2014	1.842	0.070	1.912	0.681	0.131	0.654	3.378
2013 <sup>(f)</sup>	1.782	0.075	1.857	0.673	0.129	0.644	3.303
2012	2.841	0.131	2.972	1.080	0.207	1.041	5.300

<sup>(f)</sup> revaluation

Source: Municipal Tax Collector.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
*Unaudited*

<u>Taxpayer</u>	2021			2012		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Turnersville Auto Mall	\$ 48,541,200.00	1	1.03%	\$ 25,423,400.00	1	0.99%
Virtua West Jersey c/o Altus Group	36,428,000.00	2	0.77%			
Society Hill Apt Associates LP	32,079,000.00	3	0.68%	15,000,000.00	2	0.59%
Centro Bradley Crosskeys Commons LLC	25,000,000.00	4	0.53%	12,425,300.00	3	0.48%
Bre RC Cross Keys LLC	21,608,500.00	5	0.46%	8,753,000.00	6	0.34%
Wal-Mart Property Tax Department	20,185,500.00	6	0.43%	10,500,000.00	4	0.41%
Birches Reality	17,596,000.00	7	0.37%	7,500,000.00	9	0.29%
Washington Center LLC	16,950,000.00	8	0.36%	7,500,000.00	8	0.29%
Turnersville Interstate LLC	16,800,000.00	9	0.36%	7,491,710.00	10	0.29%
Target Corp	14,160,000.00	10	0.30%	7,511,500.00	7	0.29%
WP Plaza				9,000,000.00	5	0.35%
<b>Total</b>	<b>\$ 249,348,200.00</b>		<b>5.28%</b>	<b>\$ 111,104,910.00</b>		<b>4.34%</b>

Source: Municipal Tax Assessor

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years  
*Unaudited*

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Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the the Levy <sup>(1)</sup> Amount	Percentage of Levy	Collections in Subsequent Years
2021	\$ 89,923,980.00	\$ 89,923,980.00	100.00%	
2020	88,189,459.00	88,189,459.00	100.00%	
2019	86,784,563.00	86,784,552.13	100.00%	\$ 10.87
2018	85,942,421.00	79,166,211.32	92.12%	6,776,209.68
2017	84,217,006.00	84,217,006.00	100.00%	
2016	84,298,574.00	84,298,574.00	100.00%	
2015	82,211,573.00	82,211,573.00	100.00%	
2014	79,634,189.00	79,634,189.00	100.00%	
2013	78,287,892.00	78,287,892.00	100.00%	
2012	73,987,266.00	68,108,094.03	92.05%	5,879,171.97

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

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Source: School District records.

## **Debt Capacity Information**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	<u>Governmental Activities</u>				Business-Type Activities <sup>(2)</sup>	Total School District	Percentage of Personal Income <sup>(3)</sup>	Per Capita <sup>(4)</sup>
	General Obligation Bonds <sup>(1)</sup>	Capital Leases <sup>(1)</sup>	Purchase Agreements					
2021	\$ 9,250,000.00	\$ 53,665.32	\$ 10,057,939.65	-	\$ 19,361,604.97	*	*	
2020	10,130,000.00	107,330.64	10,057,939.65	-	20,295,270.29	*	*	
2019	10,995,000.00	160,995.96	9,995,904.59	-	21,151,900.55	0.78%	\$ 442.64	
2018	11,840,000.00	214,661.28	10,803,790.76	-	22,858,452.04	0.88%	479.03	
2017	12,655,000.00	-	10,930,577.92	-	23,585,577.92	0.94%	493.52	
2016	13,870,000.00	-	10,281,944.41	-	24,151,944.41	0.99%	503.94	
2015	17,320,000.00	-	2,355,187.18	-	19,675,187.18	0.82%	408.31	
2014	20,845,000.00	-	1,519,824.07	-	22,364,824.07	0.98%	462.98	
2013	24,390,000.00	-	1,514,203.81	-	25,904,203.81	1.17%	534.84	
2012	28,225,000.00	-	1,433,947.55	-	29,658,947.55	1.36%	609.49	

*Sources:*

<sup>(1)</sup> *School District records*

<sup>(2)</sup> *No outstanding debt exists for business-type activities.*

<sup>(3)</sup> *Personal income has been estimated based upon the municipal population and per capita.*

<sup>(4)</sup> *Per Capita calculation based upon population information provided by the New Jersey Department of Labor and Workforce Development.*

\* *information not available*



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended <u>June 30,</u>	<u>General Bonded Debt Outstanding</u>			Percentage of Net Assessed Valuation <u>Taxable</u> <sup>(2)</sup>	<u>Per Capita</u> <sup>(3)</sup>
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u> <sup>(1)</sup>		
2021	\$ 9,250,000.00	-	\$ 9,250,000.00	0.20%	*
2020	10,130,000.00	-	10,130,000.00	0.22%	\$ 210.23
2019	10,995,000.00	-	10,995,000.00	0.26%	230.09
2018	11,840,000.00	-	11,840,000.00	0.28%	248.12
2017	12,655,000.00	-	12,655,000.00	0.30%	264.80
2016	13,870,000.00	-	13,870,000.00	0.33%	289.40
2015	17,320,000.00	-	17,320,000.00	0.41%	359.43
2014	20,845,000.00	-	20,845,000.00	0.49%	431.52
2013	24,390,000.00	-	24,390,000.00	0.57%	503.57
2012	28,225,000.00	-	28,225,000.00	1.10%	580.02

*Sources:*

<sup>(1)</sup> *School District records*

<sup>(2)</sup> *Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation.*

<sup>(3)</sup> *Per Capita calculation based upon population information provided by the New Jersey Department of Labor and Workforce Development.*

\* *information not available*

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2020  
*Unaudited*

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Township of Washington</u>
Municipal Debt: <sup>(1)</sup>				
Township of Washington School District	\$ 10,130,000.00	\$ 10,130,000.00		
Township of Washington	39,189,505.69		\$ 39,189,505.69	\$ 39,189,505.69
	<u>49,319,505.69</u>	<u>10,130,000.00</u>	<u>39,189,505.69</u>	<u>39,189,505.69</u>
Overlapping Debt Apportioned to the Municipality:				
County of Gloucester: <sup>(2)</sup>				
General:				
Bonds	258,227,000.00	19,156,621.00 <sup>(3)</sup>	239,070,379.00	42,160,213.23 <sup>(5)</sup>
Bonds Issued by Other Public Bodies Guaranteed by the County	182,249,993.00	182,249,993.00 <sup>(4)</sup>		
	<u>440,476,993.00</u>	<u>201,406,614.00</u>	<u>239,070,379.00</u>	<u>42,160,213.23</u>
	<u>\$ 489,796,498.69</u>	<u>\$ 211,536,614.00</u>	<u>\$ 278,259,884.69</u>	<u>\$ 81,349,718.92</u>

**Sources:**

<sup>(1)</sup> 2020 Annual Debt Statement - Township of Washington

<sup>(2)</sup> 2020 Annual Debt Statement - County of Gloucester

<sup>(3)</sup> includes reserve for payment of debt and County College bonds

<sup>(4)</sup> deductible in accordance with N.J.S. 40:37A-80

<sup>(5)</sup> Such debt is allocated as a proportion of the Township's share of the total 2020 Equalized Value, which is 17.64%.

The source for this computation was the 2020 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

Legal Debt Margin Calculation for Calendar Year 2020:

Average Equalized Valuation Basis Calculation: <sup>(1)</sup>

2020 Equalized Valuation	\$ 4,911,447,944.00
2019 Equalized Valuation	4,839,162,879.00
2018 Equalized Valuation	4,645,526,459.00
 Average Equalized Valuation Basis	 [A] \$ 4,798,712,427.33
 Debt limit (4% of average equalization value) (2)	 [B] \$ 191,948,497.09
Total Net Debt Applicable to Limit	[C] 9,250,000.00
 Legal Debt Margin	 [B-C] \$ 182,698,497.09

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limit	\$ 191,948,497.09	\$ 187,706,311.40	\$ 183,441,426.76	\$ 181,232,366.29	\$ 179,105,325.05	\$ 178,520,459.89	\$ 179,249,675.65	\$ 184,628,147.20	\$ 193,848,331.44	\$ 203,854,151.24
Total net debt applicable to limit <sup>(3)</sup>	9,250,000.00	10,130,000.00	10,995,000.00	11,840,000.00	12,655,000.00	13,870,000.00	17,320,000.00	20,845,000.00	24,390,000.00	28,225,000.00
Legal debt margin	\$ 182,698,497.09	\$ 177,576,311.40	\$ 172,446,426.76	\$ 169,392,366.29	\$ 166,450,325.05	\$ 164,650,459.89	\$ 161,929,675.65	\$ 163,783,147.20	\$ 169,458,331.44	\$ 175,629,151.24
Total net debt applicable to the limit as a percentage of debt limit	4.82%	5.40%	5.99%	6.53%	7.07%	7.77%	9.66%	11.29%	12.58%	13.85%

Sources:

<sup>(1)</sup> Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

<sup>(2)</sup> Limit set by NJSA 18A:24-19 for a K through 12 district.

<sup>(3)</sup> School District records

## **Demographic and Economic Information**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years  
*Unaudited*

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Fiscal Year Ended <u>June 30,</u>	<u>Population</u> <sup>(1)</sup>	<u>Personal Income</u> <sup>(2)</sup>	<u>Per Capita Personal Income</u> <sup>(3)</sup>	<u>Unemployment Rate</u> <sup>(4)</sup>
2020	48,186	Unavailable	Unavailable	8.9%
2019	47,786	\$ 2,699,861,214.00	\$ 56,499.00	3.2%
2018	47,718	2,593,186,992.00	54,344.00	3.6%
2017	47,791	2,508,836,336.00	52,496.00	4.0%
2016	47,926	2,434,832,504.00	50,804.00	4.3%
2015	48,187	2,390,894,379.00	49,617.00	5.0%
2014	48,306	2,288,013,690.00	47,365.00	6.1%
2013	48,434	2,222,055,052.00	45,878.00	7.1%
2012	48,662	2,185,507,744.00	44,912.00	8.1%
2011	48,877	2,138,857,520.00	43,760.00	8.2%

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*Sources:*

<sup>(1)</sup> *Annual Estimates of the Resident Population for Municipalities in New Jersey, by County: April 1, 2010 to July 1, 2019.*

<sup>(2)</sup> *Personal income has been estimated based upon the municipal population and per capita personal income.*

<sup>(3)</sup> *Regional Economic Information System, Bureau of Economic Analysis, November 14, 2019.*

<sup>(4)</sup> *New Jersey Department of Labor and Workforce Development - Unemployment Statistics*

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Principal Non-Governmental Employers  
 Current Year and Nine Years Ago  
*Unaudited*

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	2021 <sup>(1)</sup>			2012 <sup>(1)</sup>		
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u> <sup>(1)</sup>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>

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*Source: Individual employers.*

<sup>(1)</sup> Information regarding the ten principal non-governmental employers for 2021 and 2012 could not be accumulated by the School District as a result of not having a source from which to obtain such information.

## **Operating Information**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Full-Time Equivalent School District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

Function / Program	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction	737.19	738.93	740.68	728.66	737.75	769.52	803.50	740.47	862.60	692.90
Support Services:										
Student and Instruction Related Services	363.76	356.69	342.16	354.18	339.81	302.02	273.60	270.14	269.70	243.80
Other Administrative Services	36.30	39.08	39.00	39.00	41.00	40.00	40.00	45.00	40.50	43.50
School Administrative Services	73.70	75.70	75.70	75.70	75.16	76.70	76.70	85.10	85.30	84.80
Plant Operations and Maintenance	130.58	120.54	121.20	121.20	120.30	115.08	125.90	81.44	116.10	117.50
Pupil Transportation	81.52	80.87	80.70	80.87	80.87	80.87	80.90	75.87	81.90	81.90
Food Service	59.00	46.50	59.50	55.00	55.00	55.00	55.00	51.00	55.00	55.00
Child Care Program	4.62	4.62	4.62	3.80	3.80	3.80	3.80	3.80	3.80	3.80
Center for the Performing Arts	1.50	1.50	1.50	1.50	1.50	2.50	2.50	2.50	2.50	1.00
<b>Total</b>	<b>1,488.17</b>	<b>1,464.43</b>	<b>1,465.06</b>	<b>1,459.91</b>	<b>1,455.19</b>	<b>1,445.49</b>	<b>1,461.90</b>	<b>1,355.32</b>	<b>1,517.40</b>	<b>1,324.20</b>

Source: School District records



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Operating Statistics  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures *	Cost Per Pupil	Percentage Change	Teaching Staff (Certified)	Pupil / Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2021	6,987	\$ 165,223,425.55	\$ 23,647.26	8.81%	739	1:24	1:26	1:24	6,819	6,589	-4.76%	96.63%
2020	7,216	156,824,041.85	21,732.82	-1.85%	776	1:24	1:26	1:24	7,160	6,921	0.77%	96.66%
2019	7,146	158,236,126.02	22,143.31	4.00%	776	1:24	1:26	1:24	7,105	6,775	-1.20%	95.36%
2018	7,270	154,786,772.35	21,291.17	0.14%	778	1:24	1:26	1:24	7,191	6,843	-0.94%	95.15%
2017	7,312	155,459,547.68	21,260.88	4.37%	779	1:24	1:26	1:24	7,259	6,916	0.48%	95.53%
2016	7,325	149,213,315.49	20,370.42	6.00%	776	1:24	1:26	1:24	7,224	6,901	-1.55%	95.53%
2015	7,429	142,770,827.96	19,218.04	5.00%	690	1:24	1:26	1:24	7,338	7,032	-2.81%	95.83%
2014	7,626	139,580,872.66	18,303.29	7.63%	741	1:24	1:26	1:24	7,550	7,207	-3.17%	95.45%
2013	8,045	136,813,936.18	17,006.08	7.46%	769	1:24	1:26	1:24	7,797	7,417	-3.51%	95.13%
2012	8,347	132,089,511.76	15,824.79	3.17%	794	1:24	1:26	1:24	8,081	7,696	-2.20%	95.20%

Sources: School District records

\* operating expenditures equal total expenditures less capital outlay, transfer to charter school, and debt service.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
School District Building:										
Elementary:										
Bells Elementary School (1967)										
Square Feet	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	509	443	430	437	447	476	499	526	557	563
Birches Elementary School (1968)										
Square Feet	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	397	424	438	446	451	455	466	467	497	497
Grenloch Terrace Early Childhood Center (1936)										
Square Feet	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	270	318	290	344	355	529	494	515	487	557
Hurffville Elementary School (1957)										
Square Feet	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	491	507	504	491	495	443	451	460	485	496
Thomas Jefferson Elementary School (1980)										
Square Feet	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	438	549	560	533	511	386	422	438	436	471
Wedgwood Elementary School (1970)										
Square Feet	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	462	500	479	472	473	412	404	416	443	447
Whitman Elementary School (1965)										
Square Feet	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	517	540	494	487	472	460	495	518	550	551

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
School District Building (Cont'd):										
Middle School:										
Bunker Hill Middle School (1997)										
Square Feet	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	576	572	567	583	608	682	671	690	723	734
Chestnut Ridge Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	610	621	632	697	698	578	561	569	613	651
Orchard Valley Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	513	523	519	547	527	583	591	603	610	605
High School:										
Washington Township High School (1962)										
Square Feet	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011
Capacity (students)	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment	2,204	2,219	2,233	2,233	2,275	2,321	2,375	2,425	2,512	2,620
Number of Schools at June 30, 2021										
Elementary = 7										
Middle School = 3										
High School = 1										

Source: School District records.

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Required Maintenance for School Facilities  
 Last Ten Fiscal Years  
*Unaudited*

Undistributed Expenditures - Required Maintenance for School Facilities

11-000-261-xxx

Fiscal Year Ended June 30,

		<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>* School Facilities</b>	<b>Project # (s)</b>										
Bells Elementary School	N/A	\$ 90,455.44	\$ 80,536.32	\$ 73,736.52	\$ 70,033.00	\$ 83,140.00	\$ 58,911.54	\$ 50,438.00	\$ 51,138.00	\$ 54,523.00	\$ 48,008.00
Birches Elementary School	N/A	90,158.00	80,271.42	73,493.94	69,802.00	82,384.00	58,717.73	50,272.00	55,413.00	54,343.00	47,850.00
Bunker Hill Middle School	N/A	182,790.47	162,026.75	147,263.44	139,866.00	169,849.00	117,655.61	101,111.00	104,422.00	109,277.00	96,570.00
Chestnut Ridge Middle School	N/A	156,232.45	139,182.71	126,231.44	119,672.00	131,940.00	104,300.95	86,189.00	92,384.00	93,311.00	82,609.00
Grenloch Terrace Early Childhood Center	N/A	44,982.63	40,050.14	36,668.66	34,827.00	38,397.00	29,296.30	25,083.00	25,430.00	27,114.00	23,874.00
Hurffville Elementary School	N/A	94,016.29	83,706.54	76,639.26	72,789.00	80,251.00	61,230.67	52,424.00	53,151.00	56,669.00	49,897.00
Orchard Valley Middle School	N/A	156,232.45	139,182.71	126,001.05	119,672.00	131,940.00	100,668.11	86,189.00	87,384.00	98,168.00	82,035.00
Thomas Jefferson Elementary School	N/A	118,305.90	105,332.35	96,439.09	91,595.00	104,584.00	77,049.68	65,968.00	66,882.00	71,309.00	62,788.00
Washington Township High School	N/A	636,839.73	557,022.30	507,673.58	480,578.05	531,269.88	406,730.95	347,933.13	360,434.82	379,706.69	334,431.25
Wedgwood Elementary School	N/A	93,834.35	83,544.79	76,490.88	72,649.00	80,096.00	61,112.13	52,322.00	53,510.00	56,559.00	49,801.00
Whitman Elementary School	N/A	97,386.90	86,708.19	79,386.55	75,399.00	83,128.00	64,143.30	54,303.00	55,056.00	58,700.00	51,686.00
<b>Total School Facilities</b>		<u>\$ 1,761,234.59</u>	<u>\$ 1,557,564.22</u>	<u>\$ 1,420,024.41</u>	<u>\$ 1,346,882.05</u>	<u>\$ 1,516,978.88</u>	<u>\$ 1,139,816.97</u>	<u>\$ 972,232.13</u>	<u>\$ 1,005,204.82</u>	<u>\$ 1,059,679.69</u>	<u>\$ 929,549.25</u>

\* School facilities as defined under EFCFA (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3).

Source: School District records.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Insurance Schedule  
June 30, 2021  
Unaudited

Coverage Type	Insurance Company	Coverage	Deductible
Property / Inland Marine / Automobile Physical Damage	GCSSD - JIF Self Insured Retention	\$ 250,000	\$ 500
Crime - JIF Self Insured Retention	GCSSD - JIF Self Insured Retention	250,000	500
General Liability / Auto Liability - JIF Self Insured Retention	GCSSD - JIF Self Insured Retention	250,000	
Educators Legal Liability - JIF Self Insured Retention	GCSSD - JIF Self Insured Retention	250,000	
Workers Compensation - JIF Self Insured Retention	GCSSD - JIF Self Insured Retention	250,000	
Property / Inland Marine / Automobile Physical Damage	School Pool for Excess Liability Limits JIF**	175,000,000	
Crime	School Pool for Excess Liability Limits JIF**	500,000	
Workers Compensation	School Pool for Excess Liability Limits JIF**	Statutory	
General Liability / Auto Liability	School Pool for Excess Liability Limits JIF**	20,000,000	
Educators' Legal Liability	School Pool for Excess Liability Limits JIF**	20,000,000	
Terrorism	Lloyd's of London	50,000,000	25,000
Boiler and Machinery	Travelers Insurance Company	125,000,000	1,000
Commercial Pollution and Mold Legal Liability	Beazlev / Lloyd's of London	3,000,000	each mold incident
Cyber Liability	AIG / Lexington Insurance Company, Inc.	2,000,000	10,000 retention
Violent Malicious Acts	Lloyd's of London	1,000,000	15,000
Disaster Management Services	Lloyd's of London	2,000,000	15,000
Commercial Umbrella	Fireman's Fund Insurance Co.	50,000,000	
Board Secretary's Bond	Western Surety Company	533,000.00	None
Driving School Bond	Western Surety Company	10,000.00	None
Student Accident Policy	Zurich American Insurance Company		
	Class I and III	1,000,000.00	None
	Class II	5,000,000.00	None

Excess and Reinsurance Carriers Involved:

Property, Crime, General Liability/Auto Liability, Employee Benefits Liability, Workers' Compensation, Employer's Liability and Occupational Disease, Educator's Legal Liability, Reinsurance Excess, Aggregate Protection

SPELL JIF, Great American Insurance Company, Colony Insurance Company, Allied World Assurance Company, Axis Surplus Insurance Company, Westchester Fire Insurance Company, Crum & Foster Specialty Insurance Company, Lloyd's of London, Hallmark Specialty Company, RSUI Indemnity Company, Endurance American Specialty Insurance Company, James River Insurance Company, Everest Indemnity Insurance Company, Independent Specialty Insurance Company, Interstate Fire & Casualty Company, Mitsui Sumitomo Insurance Company of America, Maximum Indemnity Company

Source: School District records

**SINGLE AUDIT SECTION**

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Washington School District  
County of Gloucester

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

We have audited the Township of Washington School District's, in the County of Gloucester, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2021. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the 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; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Township of Washington School District's, in the County of Gloucester, State of New Jersey, compliance.

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

In our opinion, the Township of Washington School District, in the County of Gloucester, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2021.

### Report on Internal Control over Compliance

Management of the Township of Washington School District, in the County of Gloucester, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Washington 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 and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and 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 and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Washington, New Jersey  
March 10, 2022



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards, Schedule A  
 For the Fiscal Year Ended June 30, 2021

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period	
						From	To
<b>General Fund:</b>							
U.S. Department of Health and Human Services:							
Passed-through State Department of Education:							
Medical Assistance Program (Medicaid)	93.778	N/A	2005NJ5MAP	100-054-7540-211	\$ 214,865.55	07/01/20	06/30/21
Medical Assistance Program (Medicaid)	93.778	COVID-19	2005NJ5MAP	100-054-7540-211	21,819.07	07/01/20	06/30/21
Total Medical Assistance Program (Medicaid) Cluster							
U.S. Department of Homeland Security:							
Passed-through State Department of Law and Public Safety:							
Disaster Grants - Public Assistance	97.036	COVID-19	Unknown	100-066-1200-C50	100,294.18	07/01/20	06/30/21
Total General Fund							
<b>Special Revenue Fund:</b>							
U.S. Department of Education:							
Passed-through State Department of Education:							
E.S.S.A.:							
Title I, A:							
Title I Grants to Local Educational Agencies	84.010	N/A	S010A200030	100-034-5064-194	616,804.00	07/01/20	09/30/21
Title I Grants to Local Educational Agencies	84.010	N/A	SA00A190030	100-034-5064-194	636,518.00	07/01/19	09/30/20
Title I School Improvement Grants	84.010	N/A	S010A200030	100-034-5064-194	24,943.00	07/01/20	09/30/21
Title I School Improvement Grants	84.010	N/A	S010A190030	100-034-5064-194	48,364.00	07/01/19	09/30/20
Total Title I Grants to Local Educational Agencies							
Title II, A:							
Supporting Effective Instruction State Grants	84.367	N/A	S367A200029	100-034-5063-290	148,335.00	07/01/20	09/30/21
Supporting Effective Instruction State Grants	84.367	N/A	S367A190029	100-034-5063-290	169,400.00	07/01/19	09/30/20
Total Supporting Effective Instruction State Grants							
Title III:							
English Language Acquisition State Grants	84.365	N/A	S365A200030	100-034-5063-187	21,329.00	07/01/20	09/30/21
English Language Acquisition State Grants	84.365	N/A	S365A190030	100-034-5063-187	32,800.00	07/01/19	09/30/20
English Language Acquisition State Grants - Immigrant	84.365	N/A	S365A200030	100-034-5063-187	1,293.00	07/01/20	09/30/21
English Language Acquisition State Grants - Immigrant	84.365	N/A	S365A190030	100-034-5063-187	4,797.00	07/01/19	09/30/20
Total English Language Acquisition State Grants							
Title IV, Part A:							
Student Support and Academic Enrichment Program	84.424	N/A	S424A200031	100-034-5063-348	70,607.00	07/01/20	09/30/21
Student Support and Academic Enrichment Program	84.424	N/A	S424A190031	100-034-5063-348	32,834.00	07/01/19	09/30/20
Total Student Support and Academic Enrichment Program							
Special Education Cluster (IDEA):							
Special Education Grants to States	84.027	N/A	H027A200010	100-034-5065-016	2,295,648.00	07/01/20	06/30/21
Special Education Grants to States	84.027	N/A	H027A190100	100-034-5065-016	2,139,037.00	07/01/19	06/30/20
Special Education Preschool Grants	84.173	N/A	H173A200114	100-034-5065-020	100,110.00	07/01/20	06/30/21
Total Special Education - Grants to States Cluster							
Coronavirus Relief Funding:							
School Re-opening and Remote Learning	21.019	COVID-19	SLT0228	100-034-5120-517	387,227.00	03/13/20	12/30/20
Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act:							
Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425d	COVID-19	S425D200027	100-034-5120-513	495,981.00	03/13/20	09/30/22
Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425d	COVID-19	S425D210027	100-034-5120-513	1,863,339.00	03/15/21	09/30/22
Elementary and Secondary School Emergency Relief Fund (Learning Acceleration)	84.425d	COVID-19	S425D210027	100-034-5120-513	119,579.00	03/15/21	09/30/22
Total Education Stabilization Fund (ESSER)							
Carl D. Perkins Vocational and Technical:							
Career and Technical Education - Basic Grants to States	84.048	N/A	V048A200030	100-034-5062-084	40,792.00	07/01/20	06/30/21
Career and Technical Education - Basic Grants to States	84.048	N/A	V048A190030	100-034-5062-084	44,075.00	07/01/19	06/30/20
Total Career and Technical Education - Basic Grants to States							
Total Special Revenue Fund							
<b>Enterprise Fund:</b>							
U.S. Department of Agriculture:							
Passed-through State Department of Agriculture:							
Child Nutrition Cluster:							
School Breakfast Program (SBP)	10.553	N/A	211NJ304N1099	100-010-3350-028	402,409.25	07/01/20	06/30/21
School Breakfast Program (SBP) - CARES ACT	10.553	COVID-19	211NJ304N1099	100-010-3350-100	25,984.90	05/01/20	06/30/20
School Breakfast Program (SBP) - CARES ACT	10.553	COVID-19	201NJ304N1099	100-010-3350-100	22,576.40	05/01/20	06/30/20
Emergency Operational Costs Program - CARES ACT	10.555	COVID-19	202121H170341	Unknown	5,293.76	07/01/20	06/30/21
National School Lunch Program - Commodities (Noncash)	10.555	N/A	201NJ304N1099	Unknown	85,203.95	07/01/20	06/30/21
National School Lunch Program (NSLP)	10.555	N/A	211NJ304N1099	100-010-3350-026	819,343.86	07/01/20	06/30/21
National School Lunch Program (NSLP) - CARES ACT	10.555	COVID-19	211NJ304N1099	100-010-3350-098	42,236.84	05/01/20	06/30/20
National School Lunch Program (NSLP) - CARES ACT	10.555	COVID-19	201NJ304N1099	100-010-3350-098	35,711.76	05/01/20	06/30/20
Total Child Nutrition Cluster							
Total Enterprise Fund							
Total Federal Financial Assistance							

<sup>(a)</sup> see note 6 to the schedules of expenditures of federal awards and state financial assistance.

The accompanying notes to financial statements and notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Balance June 30, 2020	Cash Received	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments <sup>(a)</sup>	Repayment of Prior Years' Balances	Balance June 30, 2021		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	Due to Grantor
	\$ 214,865.55	\$ (214,865.55)		\$ (214,865.55)						
	21,819.07	(21,819.07)		(21,819.07)						
-	236,684.62	(236,684.62)	-	(236,684.62)	-	-	-	-	-	-
	100,294.18	(100,294.18)		(100,294.18)						
-	336,978.80	(336,978.80)	-	(336,978.80)	-	-	-	-	-	-
\$ (182,421.59)	267,198.00	(563,988.67)		(563,988.67)		\$ (0.41)		\$ (296,790.67)		
	182,422.00									
(8,000.83)	7,500.00	(22,982.84)		(22,982.84)		(0.17)		(15,482.84)		
	8,001.00									
(190,422.42)	465,121.00	(586,971.51)	-	(586,971.51)	-	(0.58)	-	(312,273.51)	-	-
	76,291.00	(140,645.40)		(140,645.40)				(64,354.40)		
(9,259.40)	9,260.00					(0.60)				
(9,259.40)	85,551.00	(140,645.40)	-	(140,645.40)	-	(0.60)	-	(64,354.40)	-	-
	10,281.00	(20,650.26)		(20,650.26)				(10,369.26)		
(13,632.14)	13,633.00					(0.86)				
	1,292.00	(1,292.45)		(1,292.45)		0.45				
(3,503.56)	3,504.00					(0.44)				
(17,135.70)	28,710.00	(21,942.71)	-	(21,942.71)	-	(0.85)	-	(10,369.26)	-	-
	20,869.00	(66,154.13)		(66,154.13)		3.00		(45,282.13)		
(2,105.75)	2,106.00					(0.25)				
(2,105.75)	22,975.00	(66,154.13)	-	(66,154.13)	-	2.75	-	(45,282.13)	-	-
	1,251,763.00	(1,963,532.45)		(1,963,532.45)				(711,769.45)		
(476,069.72)	476,069.00					0.72				
	2,282.00	(99,808.05)		(99,808.05)				(97,526.05)		
(476,069.72)	1,730,114.00	(2,063,340.50)	-	(2,063,340.50)	-	0.72	-	(809,295.50)	-	-
	387,227.00	(387,227.00)	-	(387,227.00)	-	-	-	-	-	-
	380,261.00	(483,067.56)		(483,067.56)				(102,806.56)		
		(101,475.04)		(101,475.04)				(101,475.04)		
		(25,000.00)		(25,000.00)				(25,000.00)		
-	380,261.00	(609,542.60)	-	(609,542.60)	-	-	-	(229,281.60)	-	-
	5,283.00	(37,161.07)		(37,161.07)				(31,878.07)		
(2,949.86)	2,949.00					0.86				
(2,949.86)	8,232.00	(37,161.07)	-	(37,161.07)	-	0.86	-	(31,878.07)	-	-
(697,942.85)	3,108,191.00	(3,912,984.92)	-	(3,912,984.92)	-	2.30	-	(1,502,734.47)	-	-
	374,560.83	(402,409.25)		(402,409.25)				(27,858.42)		
(9,420.40)	25,984.90	(25,984.90)		(25,984.90)						
	9,420.40									
	85,203.95	(5,293.76)		(5,293.76)				(5,293.76)		
	723,049.02	(85,203.95)		(85,203.95)						
	42,236.84	(819,343.86)		(819,343.86)				(96,294.84)		
(14,901.36)	14,901.36	(42,236.84)		(42,236.84)						
(24,321.76)	1,275,347.30	(1,380,472.56)	-	(1,380,472.56)	-	-	-	(129,447.02)	-	-
(24,321.76)	1,275,347.30	(1,380,472.56)	-	(1,380,472.56)	-	-	-	(129,447.02)	-	-
\$ (722,264.61)	\$ 4,720,517.10	\$ (5,630,436.28)	\$ -	\$ (5,630,436.28)	\$ -	\$ 2.30	\$ -	\$ (1,632,181.49)	\$ -	\$ -

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2021

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2020	
			From	To	Unearned Revenue / (Accounts Receivable)	Due to Grantor
General Fund:						
New Jersey Department of Education:						
Current Expense:						
State Aid - Public:						
Equalization Aid	495-034-5120-078	\$ 36,399,809.00	07/01/20	06/30/21		
Equalization Aid	495-034-5120-078	37,764,814.00	07/01/19	06/30/20	\$ (3,683,244.81)	
Categorical Special Education Aid	495-034-5120-089	5,556,586.00	07/01/20	06/30/21		
Categorical Special Education Aid	495-034-5120-089	5,556,586.00	07/01/19	06/30/20	(541,940.09)	
Categorical Security Aid	495-034-5120-084	944,104.00	07/01/20	06/30/21		
Categorical Security Aid	495-034-5120-084	944,104.00	07/01/19	06/30/20	(92,079.53)	
Total State Aid - Public					(4,317,264.43)	-
Categorical Transportation Aid	495-034-5120-014	2,909,313.00	07/01/20	06/30/21		
Categorical Transportation Aid	495-034-5120-014	2,909,313.00	07/01/19	06/30/20	(283,748.57)	
Additional Nonpublic School Transportation Aid	495-034-5120-014	120,930.00	07/01/20	06/30/21		
Additional Nonpublic School Transportation Aid	495-034-5120-014	18,303.00	07/01/19	06/30/20	(18,303.00)	
Total Categorical Transportation Aid					(302,051.57)	-
Extraordinary Aid	495-034-5120-044	3,336,494.00	07/01/20	06/30/21		
Extraordinary Aid	495-034-5120-044	178,017.00	07/01/19	06/30/20		
Extraordinary Aid	495-034-5120-044	1,771,984.00	07/01/19	06/30/20	(1,771,984.00)	
Total Extraordinary Aid					(1,771,984.00)	-
Payment for Institutionalized Children - Unknown District of Residence	495-035-5120-005	4,523.00	07/01/20	06/30/21		
Reimbursed TPAF Social Security Contributions	495-034-5094-003	4,341,005.72	07/01/20	06/30/21		
Reimbursed TPAF Social Security Contributions	495-034-5094-003	4,243,139.33	07/01/19	06/30/20	(212,998.68)	
Total Reimbursed TPAF Social Security Contributions					(212,998.68)	-
General Fund (Non-Cash Assistance):						
New Jersey Department of the Treasury:						
On-behalf Contributions:						
T.P.A.F. Post-Retirement Medical	495-034-5094-001	5,061,273.00	07/01/20	06/30/21		
Teacher's Pension and Annuity Fund	495-034-5094-002	15,848,822.00	07/01/20	06/30/21		
T.P.A.F. Non-contributory Insurance	495-034-5094-004	301,545.00	07/01/20	06/30/21		
T.P.A.F. Long-Term Disability Insurance	495-034-5094-004	7,731.00	07/01/20	06/30/21		
Total General Fund Non-Cash Assistance					-	-
Total General Fund					(6,604,298.68)	-
Special Revenue Fund:						
New Jersey Department of Education:						
Nonpublic Aid:						
Nursing Services (Chapter 226)	100-034-5120-070	2,346.00	07/01/20	06/30/21		
Total Nursing Aid (Chapter 226)					-	-
Textbook Aid	100-034-5120-064	1,405.00	07/01/20	06/30/21		
Textbook Aid	100-034-5120-064	1,898.00	07/01/19	06/30/20		\$ 120.00
Total Textbook Aid					-	120.00
Technology Initiative Aid	100-034-5120-373	1,296.00	07/01/19	06/30/20		114.00
Total Technology Initiative Aid					-	114.00
School Security Aid	100-034-5120-509	4,025.00	07/01/20	06/30/21		
School Security Aid	100-034-5120-509	4,950.00	07/01/19	06/30/20		1,050.00
Total School Security Aid					-	1,050.00
Auxiliary Services Aid (Chapter 192):	100-034-5120-067					
Compensatory Education		1,393.00	07/01/20	06/30/21		
Transportation		707.00	07/01/20	06/30/21		
Auxiliary Services Aid (Chapter 192):	100-034-5120-067					
Compensatory Education		3,245.00	07/01/19	06/30/20	(324.00)	3,245.00
Transportation		466.00	07/01/19	06/30/20	(46.00)	76.00
Total Auxiliary Services Aid (Chapter 192)					(370.00)	3,321.00

Cash Received	Total Budgetary Expenditures	Passed- Through to Subrecipients	Adjustments <sup>(a)</sup>	Repayment of Prior Years' Balances	Balance June 30, 2021			(Memo Only)	
					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2021	Cumulative Total Expenditures
\$ 32,856,507.06	\$ (36,399,809.00)				\$ (3,543,301.94)			\$ (3,543,301.94)	\$ (36,399,809.00)
3,683,244.81									
5,015,685.85	(5,556,586.00)				(540,900.15)			(540,900.15)	(5,556,586.00)
541,940.09									
852,201.17	(944,104.00)				(91,902.83)			(91,902.83)	(944,104.00)
92,079.53									
<u>43,041,658.51</u>	<u>(42,900,499.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,176,104.92)</u>	<u>-</u>	<u>-</u>	<u>(4,176,104.92)</u>	<u>(42,900,499.00)</u>
2,626,108.92	(2,909,313.00)				(283,204.08)			(283,204.08)	(2,909,313.00)
283,748.57									
18,303.00	(120,930.00)				(120,930.00)				(120,930.00)
<u>2,928,160.49</u>	<u>(3,030,243.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(404,134.08)</u>	<u>-</u>	<u>-</u>	<u>(283,204.08)</u>	<u>(3,030,243.00)</u>
	(3,336,494.00)				(3,336,494.00)			(3,336,494.00)	(3,336,494.00)
178,017.00	(178,017.00)								
1,771,984.00									
<u>1,950,001.00</u>	<u>(3,514,511.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,336,494.00)</u>	<u>-</u>	<u>-</u>	<u>(3,336,494.00)</u>	<u>(3,336,494.00)</u>
	(4,523.00)				(4,523.00)			(4,523.00)	(4,523.00)
4,126,875.21	(4,341,005.72)				(214,130.51)				(4,341,005.72)
212,998.68									
<u>4,339,873.89</u>	<u>(4,341,005.72)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(214,130.51)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,341,005.72)</u>
5,061,273.00	(5,061,273.00)								(5,061,273.00)
15,848,822.00	(15,848,822.00)								(15,848,822.00)
301,545.00	(301,545.00)								(301,545.00)
7,731.00	(7,731.00)								(7,731.00)
<u>21,219,371.00</u>	<u>(21,219,371.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,219,371.00)</u>
73,479,064.89	(75,010,152.72)				(8,135,386.51)			(7,800,326.00)	(74,832,135.72)
2,346.00	(2,346.00)								(2,346.00)
2,346.00	(2,346.00)								(2,346.00)
1,405.00	(1,209.65)		\$ (0.35)	\$ (120.00)			\$ 195.00		(1,209.65)
1,405.00	(1,209.65)		(0.35)	(120.00)			195.00		(1,209.65)
				(114.00)					
-	-		-	(114.00)			-		-
4,025.00	(1,400.00)			(1,050.00)			2,625.00		(1,400.00)
4,025.00	(1,400.00)			(1,050.00)			2,625.00		(1,400.00)
1,393.00	(1,393.00)								(1,393.00)
707.00	(588.00)						119.00		(588.00)
324.00				(3,245.00)					
46.00				(76.00)					
<u>2,470.00</u>	<u>(1,981.00)</u>	<u>-</u>	<u>-</u>	<u>(3,321.00)</u>	<u>-</u>	<u>-</u>	<u>119.00</u>	<u>-</u>	<u>(1,981.00)</u>

(Continued)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2021

State Grantor / <u>Program Title</u>	Grant or State Project <u>Number</u>	Program or Award <u>Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2020</u>	
			<u>From</u>	<u>To</u>	Unearned Revenue / (Accounts <u>Receivable</u> )	Due to <u>Grantor</u>
Special Revenue Fund (Cont'd):						
New Jersey Department of Education (Cont'd):						
Nonpublic Aid (Cont'd):						
Handicapped Services Aid (Chapter 193):	100-034-5120-066					
Corrective Speech		\$ 11,392.00	07/01/20	06/30/21		
Examination and Classification		1,300.00	07/01/20	06/30/21		
Handicapped Services Aid (Chapter 193):	100-034-5120-066					
Corrective Speech		6,744.00	07/01/19	06/30/20	\$ (1,027.00)	\$ 455.00
Examination and Classification		2,599.00	07/01/19	06/30/20		2,599.00
Total Handicapped Services Aid (Chapter 193)					(1,027.00)	3,054.00
Total Special Revenue Fund					(1,397.00)	7,659.00
Enterprise Fund:						
New Jersey Department of Agriculture:						
State School Lunch Program	100-010-3350-023	47,493.88	07/01/19	06/30/20		
State School Lunch Program	100-010-3350-023	14,185.91	07/01/19	06/30/20	(235.51)	
State School Lunch Program					(235.51)	-
Total Enterprise Fund					(235.51)	-
Total State Financial Assistance					\$ (6,605,931.19)	\$ 7,659.00
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:						
General Fund (Non-Cash Assistance):						
New Jersey Department of the Treasury:						
On-behalf Contributions:						
T.P.A.F. Post-Retirement Medical	495-034-5094-001	4,529,923.00	07/01/19	06/30/20		
Teacher's Pension and Annuity Fund	495-034-5094-002	11,995,631.00	07/01/19	06/30/20		
T.P.A.F. Non-contributory Insurance	495-034-5094-004	215,008.00	07/01/19	06/30/20		
T.P.A.F. Long-Term Disability Insurance	495-034-5094-004	8,186.00	07/01/19	06/30/20		
Total General Fund Non-Cash Assistance						
Total State Financial Assistance						

<sup>(a)</sup> see note 6 to the schedules of expenditures of federal awards and state financial assistance.

The accompanying notes to financial statements and notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

Cash <u>Received</u>	Total Budgetary <u>Expenditures</u>	Passed- Through to <u>Subrecipients</u>	<u>Adjustments</u> <sup>(a)</sup>	Repayment of Prior Years' <u>Balances</u>	Balance June 30, 2021			<u>(Memo Only)</u>	
					<u>(Accounts Receivable)</u>	<u>Unearned Revenue</u>	<u>Due to Grantor</u>	<u>Budgetary Receivable June 30, 2021</u>	<u>Cumulative Total Expenditures</u>
\$ 11,392.00	\$ (9,478.56)		\$ (0.44)				\$ 1,913.00		\$ (9,478.56)
1,300.00	(1,299.65)		(0.35)						
1,027.00				\$ (455.00)	\$ (5,717.00)				
				(2,599.00)					
13,719.00	(10,778.21)	-	(0.79)	(3,054.00)	(5,717.00)	-	1,913.00	-	(9,478.56)
23,965.00	(17,714.86)	-	(1.14)	(7,659.00)	(5,717.00)	-	4,852.00	-	(16,415.21)
40,634.89	(47,493.88)				(6,858.99)			\$ (6,858.99)	(47,493.88)
235.51									
40,870.40	(47,493.88)	-	-	-	(6,858.99)	-	-	(6,858.99)	(47,493.88)
40,870.40	(47,493.88)	-	-	-	(6,858.99)	-	-	(6,858.99)	(47,493.88)
\$ 73,543,900.29	(75,075,361.46)	\$ -	\$ (1.14)	\$ (7,659.00)	\$ (8,147,962.50)	\$ -	\$ 4,852.00	\$ (7,807,184.99)	\$ (74,896,044.81)

5,061,273.00  
15,848,822.00  
301,545.00  
7,731.00  
21,219,371.00  
\$ (53,855,990.46)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2021

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**Note 1: BASIS OF PRESENTATION**

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

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

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

**Note 3: INDIRECT COST RATE**

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

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(141,704.00) for the general fund and \$58,480.38 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 336,978.80	\$ 75,151,856.72	\$ 75,488,835.52
Special Revenue	3,854,504.54	17,714.86	3,872,219.40
Food Service	1,380,472.56	47,493.88	1,427,966.44
	<u>5,571,955.90</u>	<u>75,217,065.46</u>	<u>80,789,021.36</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments	-	(141,704.00)	(141,704.00)
Encumbrances	58,480.38	-	58,480.38
	<u>58,480.38</u>	<u>(141,704.00)</u>	<u>(83,223.62)</u>
Total Awards and Financial Assistance Expended	<u>\$ 5,630,436.28</u>	<u>\$ 75,075,361.46</u>	<u>\$ 80,705,797.74</u>

**Note 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**Note 6: ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" on the schedule of expenditures of federal awards and state financial assistance represent rounding adjustments.



**Note 7: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2021, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 8: MAJOR PROGRAMS**

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

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2021

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued \_\_\_\_\_ Unmodified \_\_\_\_\_

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes X no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_\_\_ 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 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? \_\_\_\_\_ yes X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	Child Nutrition Cluster:
10.553	211NJ304N1099	School Breakfast Program (SBP) CARES ACT
10.553	211NJ304N1099	School Breakfast Program (SBP)
10.555	202121H170341	Emergency Operational Costs Program - CARES ACT
10.555	211NJ304N1099	National School Lunch Program - Commodities (Noncash)
10.555	211NJ304N1099	National School Lunch Program (NSLP) CARES ACT
10.555	211NJ304N1099	National School Lunch Program (NSLP)
_____	_____	Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act:
84.425d	S425D200027	Elementary and Secondary School Emergency Relief Fund (ESSER I)
84.425d	S425D210027	Elementary and Secondary School Emergency Relief Fund (ESSER II)
84.425d	S425D210027	Elementary and Secondary School Emergency Relief Fund (Learning Acceleration)

Dollar threshold used to distinguish between type A and type B programs: \_\_\_\_\_ \$750,000 \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ X yes \_\_\_\_\_ no

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2021

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

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_ 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 New Jersey Circular 15-08-OMB? \_\_\_ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include State Aid Public, Equalization Aid, Categorical Special Education Aid, Categorical Security Aid, Transportation Aid, Categorical Transportation Aid, Additional Nonpublic Transportation Aid, and Reimbursed TPAF Social Security Contributions.

Dollar threshold used to distinguish between type A and type B programs: \$1,615,680

Auditee qualified as low-risk auditee? X yes \_\_\_ no

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2021

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

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

None.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2021

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

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

None.

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2021

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

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

None.

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

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

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

None.