

WAYNE TOWNSHIP PUBLIC SCHOOLS

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

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021**

**Comprehensive Annual
Financial Report**

of the

**Wayne Township Public Schools
Board of Education**

Wayne, New Jersey

For the Fiscal Year Ended June 30, 2021

Prepared by

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

Finance Department

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**INTRODUCTORY SECTION
(UNAUDITED)**



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Phone: (973) 633-3000

December 21, 2021

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

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Township of Wayne Public Schools (the "District") for the fiscal year ended June 30, 2021. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1) REPORTING ENTITY AND ITS SERVICES:

The Township of Wayne Public Schools is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds and the District-Wide financial statements of the District are included in this report. The Township of Wayne Public Schools District and all its schools institute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12 for the students residing in the Township of Wayne. These include regular, vocational, as well as special education for handicapped youngsters. The District pays tuition to charter schools for its students who elect to attend a charter school. The District completed the 2020-2021 fiscal year with an average daily enrollment of 7,522 students, a decrease of 197 students, or a decrease of 2.55%, from the previous year's enrollment. This is consistent with the most recent demographic study conducted by the District for the update of the District's Long Range Facility Plan.

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

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

Once plagued by a steep downward trend of decreasing valuations, the tax base seems to have been stabilizing before the COVID-19 pandemic began. It is anticipated that total assessed valuations will be relatively stable over the next five (5) year period with a chance of continuing decline in total ratables. Hopefully, after the COVID-19 pandemic subsides, a stabilization in assessments will take firm hold and have a positive impact on the District's ability to develop school district budgets within the 2% tax levy cap.

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

Diversity, Equity and Inclusion: To formally evaluate our district programs through a diversity, equity, and inclusion lens and to then publish our findings in a comprehensive report that would be available to the public. This initial diversity, equity, and inclusion report will serve as the foundation for an annual publication to be delivered at the conclusion of each school year. Time is of the essence and the approach in the first year will be to proceed incrementally and to act on recommendations as the process progresses so as to avoid lag time between recognizing and acting upon the most pressing issues.

Return to School Plan: To develop an enhanced Distance Learning 2.0 Plan. The plan must allow for a stronger connection between teachers and students and students and peers while also offering adaptability to a variety of unanticipated changes. Time is of the essence and this work will begin immediately and continue throughout the year.

Early Childhood Expansion and Transition to Full Day Kindergarten (Year 2): To restore the Preakness School to usage as an innovative school facility with the most modern design based on current school facility research to allow for an excellent preschool program while creating space in neighborhood schools for full-day kindergarten to be implemented in September 2021.

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2021.

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

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

The Honorable President and Members of
the Board of Education
Wayne Township Public Schools
Page 4
December 21, 2021

8) AWARDS: The International Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This is the sixth consecutive year that the District applied and received this prestigious award. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

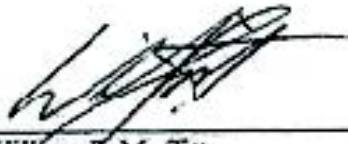
The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Program's requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2020-2021 certificate.

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

Respectfully submitted,

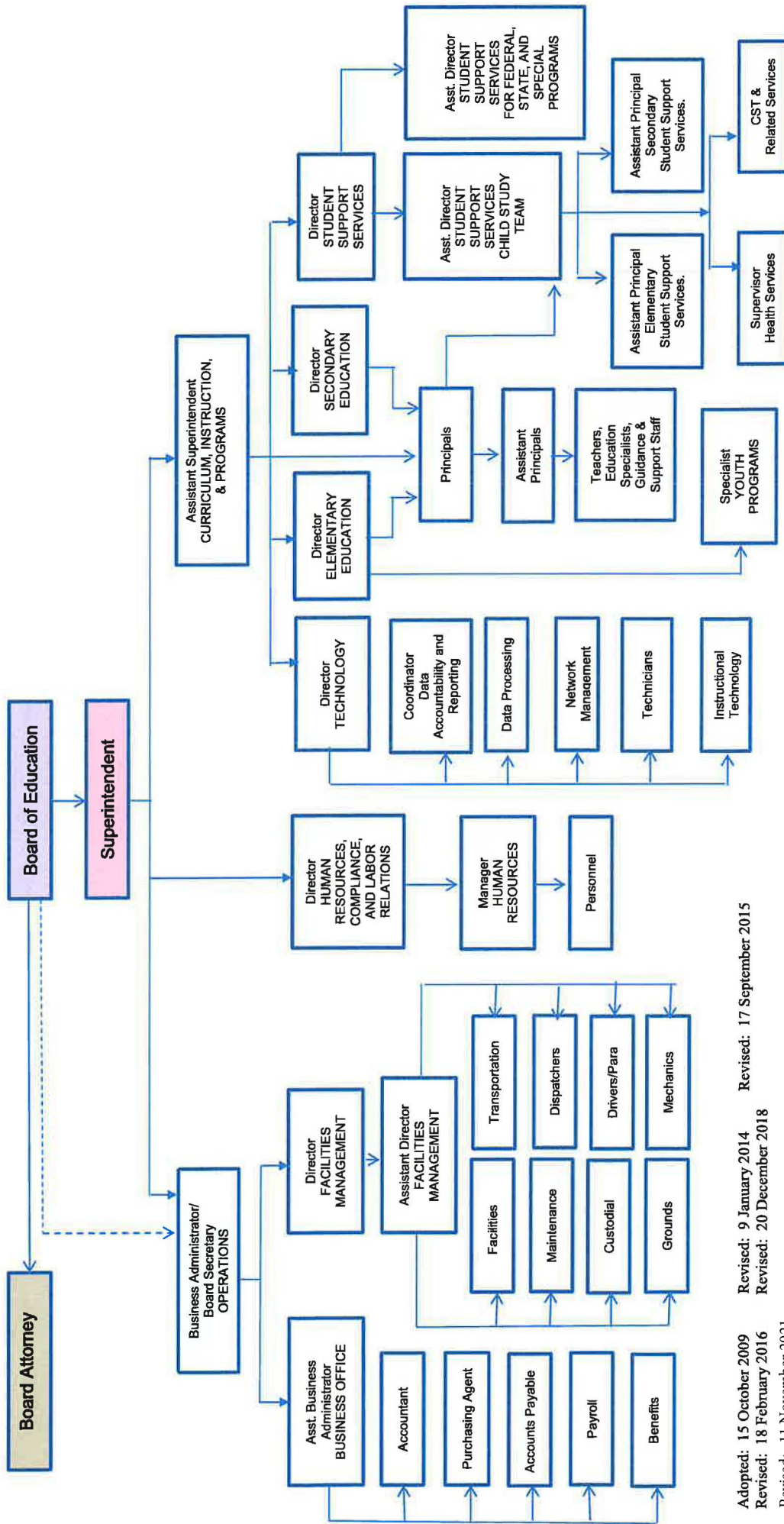


Dr. Mark Toback
Superintendent of Schools



William P. Moffitt
Business Administrator / Board Secretary

1110
ORGANIZATIONAL CHART



Adopted: 15 October 2009
 Revised: 18 February 2016
 Revised: 11 November 2021

Revised: 9 January 2014
 Revised: 17 September 2015

Revised: 20 December 2018

**WAYNE TOWNSHIP PUBLIC SCHOOLS
 ROSTER OF OFFICIALS
 JUNE 30, 2021**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Catherine Kazan, President	2023
Suzanne Pudup, Vice President	2022
Eileen Albanese	2021
Michael L. Bubba	2022
Sean Duffy	2023
Matthew Giordano	2021
Dawn Kumar	2022
Donald Pavlak, Jr.	2023
Stacey Scher	2021

<u>Other Officials</u>	<u>Title</u>
Dr. Mark Toback	Superintendent of Schools
William P. Moffitt	School Business Administrator/Board Secretary
Colditz & Zucca, LLC	Treasurer

WAYNE TOWNSHIP PUBLIC SCHOOLS
Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
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Mount Arlington, NJ 07856-1320

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Bond Counsel

Rogut McCarthy LLC
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Cranford, NJ 07016

Architect of Record

Parette Somjen Architects
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Rockaway, NJ 07866

Official Depository

TD Bank
1000 MacArthur Boulevard
Mahwah, NJ 07430



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Wayne Township School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

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



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

FINANCIAL SECTION

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township School District (the "District") in the County of Passaic, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township School District, in the County of Passaic, 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

As discussed in Note 21 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 84, *Fiduciary Activities*, during the fiscal year ended June 30, 2021. Our opinions are 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, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and the other information, such as the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
December 21, 2021

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

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

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

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section of Wayne Township Public School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District's basic financial statements, which immediately follow this section.

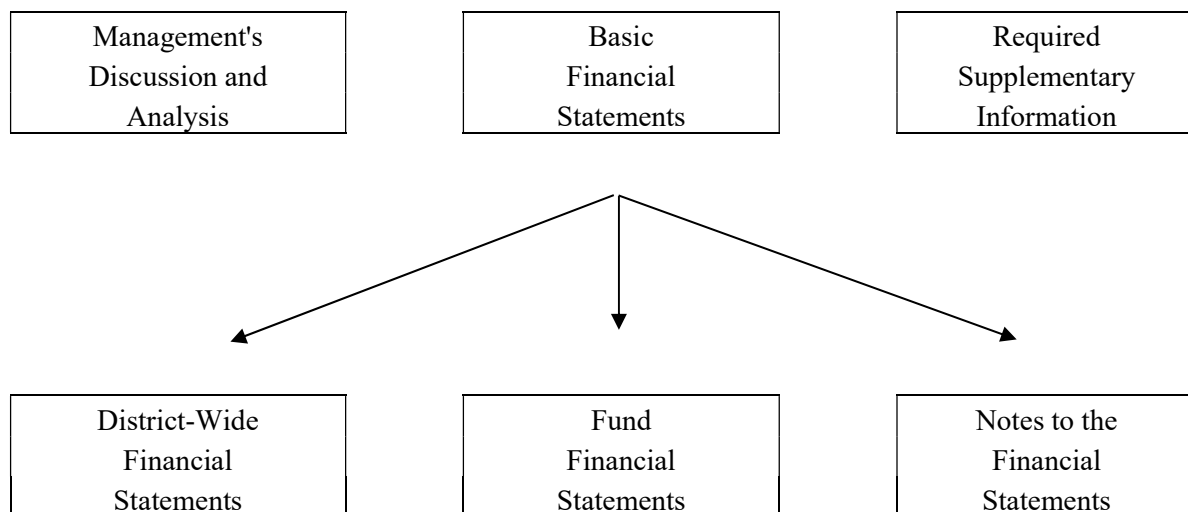
Overview of the Financial Statements

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

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds statements* offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food service, community education, the wrap around and extended day programs.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

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

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



**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Fund Financial Statements

- *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows.

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

Financial Analysis of the District as a Whole

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

	Governmental Activities		Business-Type Activities		Total School District		Percent Change 2020/21
	2020/21	2019/20 *	2020/21	2019/20	2020/21	2019/20 *	
Current and							
Other Assets	\$ 28,945,564	\$ 20,109,714	\$ 491,930	\$ 716,473	\$ 29,437,494	\$ 20,826,187	
Capital Assets, Net	62,363,666	64,481,808	261,933	300,580	62,625,599	64,782,388	
Total Assets	<u>91,309,230</u>	<u>84,591,522</u>	<u>753,863</u>	<u>1,017,053</u>	<u>92,063,093</u>	<u>85,608,575</u>	7.54%
Deferred Outflows of Resources	<u>8,165,930</u>	<u>11,515,822</u>	<u>126,897</u>	<u>156,729</u>	<u>8,292,827</u>	<u>11,672,551</u>	-28.95%
Other Liabilities	7,139,510	6,579,790	360,401	347,500	7,499,911	6,927,290	
Long-Term Liabilities	65,164,807	71,987,761	636,876	636,524	65,801,683	72,624,285	
Total Liabilities	<u>72,304,317</u>	<u>78,567,551</u>	<u>997,277</u>	<u>984,024</u>	<u>73,301,594</u>	<u>79,551,575</u>	-7.86%
Deferred Inflows of Resources	<u>18,879,828</u>	<u>18,017,174</u>	<u>301,141</u>	<u>252,116</u>	<u>19,180,969</u>	<u>18,269,290</u>	4.99%
Net Position:							
Net Investment in							
Capital Assets	41,482,648	42,552,767	261,933	300,580	41,744,581	42,853,347	
Restricted	15,315,684	11,512,193			15,315,684	11,512,193	
Unrestricted							
(Deficit)	<u>(48,507,317)</u>	<u>(54,542,341)</u>	<u>(679,591)</u>	<u>(362,938)</u>	<u>(49,186,908)</u>	<u>(54,905,279)</u>	
Total Net Position (Deficit)	<u>\$ 8,291,015</u>	<u>\$ (477,381)</u>	<u>\$ (417,658)</u>	<u>\$ (62,358)</u>	<u>\$ 7,873,357</u>	<u>\$ (539,739)</u>	1558.73%

* Restated

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Analysis of the District as a Whole

Changes in Net Position: The District's total net position increased \$8,413,096 over the course of the 2020-2021 fiscal year. Net position invested in capital assets decreased \$1,108,766, restricted net position increased \$3,803,491 and unrestricted net position increased \$5,718,371. (See Figure A-3) Net position invested in capital assets decreased primarily due to annual depreciation offset by a reduction in related bond debt and capital additions. Restricted net position increased due to increases in the Capital Reserve and Maintenance Reserve. Unrestricted net position increased largely from a decrease in the net pension liability, an increase in year-end encumbrances, an increase in Capital Projects revenue for new projects offset by an increase in compensated absences, and changes in deferred outflows related to pensions and deferred inflows related to pensions.

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

	Governmental Activities		Business-Type Activities		Total School District		Percent Change 2020/21
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	
Revenue:							
Program Revenue:							
Charges for Services	\$ 967,408	\$ 477,652	\$ 282,099	\$ 3,013,299	\$ 1,249,507	\$ 3,490,951	
Grants and Contributions:							
Operating	54,254,172	47,161,950	1,197,230	456,869	55,451,402	47,618,819	
Capital		267,435				267,435	
General Revenue:							
Property Taxes	158,282,629	155,338,283			158,282,629	155,338,283	
Unrestricted State/ Federal Aid	266,828	237,859			266,828	237,859	
Other	534,402	1,170,050			534,402	1,170,050	
Total Revenue	<u>214,305,439</u>	<u>204,653,229</u>	<u>1,479,329</u>	<u>3,470,168</u>	<u>215,784,768</u>	<u>208,123,397</u>	3.68%
Expenses:							
Instruction	126,139,507	119,837,018			126,139,507	119,837,018	
Pupil and Instruction Services	38,342,918	36,112,873			38,342,918	36,112,873	
Administration and Business	14,994,637	14,945,083			14,994,637	14,945,083	
Maintenance and Operations	16,225,240	17,518,352			16,225,240	17,518,352	
Transportation	6,697,494	7,563,683			6,697,494	7,563,683	
Other	3,045,174	2,894,281	2,070,367	4,025,863	5,115,541	6,920,144	
Total Expenses	<u>205,444,970</u>	<u>198,871,290</u>	<u>2,070,367</u>	<u>4,025,863</u>	<u>207,515,337</u>	<u>202,897,153</u>	2.28%
Transfers and Other Items	(92,073)	(45,914)	235,738	144,790	143,665	98,876	100.00%
Increase/(Decrease) in Net Position	<u>\$ 8,768,396</u>	<u>\$ 5,736,025</u>	<u>\$ (355,300)</u>	<u>\$ (410,905)</u>	<u>\$ 8,413,096</u>	<u>\$ 5,325,120</u>	57.99%

The District's net position increased \$8,413,096 – an increase of \$8,768,396 from its governmental activities offset by a decrease of \$355,300 from its business-type activities. (See Figure A-4)

Changes in Results of Operations: Revenues from governmental activities increased by \$9,652,210 mainly due to the increases in the local tax levy of approximately \$2,900,000, On-Behalf TPAF Contributions of approximately \$5,400,000 and extraordinary special education costs aid of approximately \$1,900,000.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Analysis of the District as a Whole

Changes in Results of Operations: Expenses from governmental activities increased by \$6,573,680 mainly due to an increase instruction and pupil and instruction-related services and in On-Behalf TPAF Contributions. Revenues and expenses from business-type activities decreased mainly due to the COVID-19 school closure.

Governmental Activities

Net position from the District's governmental activities increased by \$8,768,396 in 2020-2021. However, maintaining existing programs, the provision of a multitude of special programs/services for disabled pupils and the cost of employee benefits has placed great demands on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

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

	Total Cost of Services		Net Cost of Services	
	2020/2021	2019/2020	2020/2021	2019/2020
Instruction	\$ 126,139,507	\$ 119,837,018	\$ 83,280,836	\$ 85,551,909
Pupil and Instruction Services	38,342,918	36,112,873	29,873,287	29,252,566
Administration and Business	14,994,637	14,945,083	12,643,492	13,697,093
Maintenance and Operations	16,225,240	17,518,352	16,225,240	18,325,665
Transportation	6,697,494	7,563,683	5,155,361	7,289,025
Other	3,045,174	2,894,281	3,045,174	2,800,373
	<u>\$ 205,444,970</u>	<u>\$ 198,871,290</u>	<u>\$ 150,223,390</u>	<u>\$ 156,916,631</u>

Business-Type Activities

The net position of the District's business-type activities decreased by \$355,300 (due to the loss of revenue and decrease in expenses as a result of changes in operations as a result of the COVID-19 pandemic), which was comprised of decreases in net position of \$38,647 for the Food Service Fund, \$311,864 for the extended day program and \$5,151 for the Kindergarten Wrap Around Program. These decreases were offset by an increase of \$362 for the community education program for the Safety Town Program. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's General Fund fund balance increased \$7,066,762 on the GAAP basis during the fiscal year. The District was able to deposit \$2,800,000 into the Capital Reserve Account and \$3,800,000 into the Maintenance Reserve Account during the fiscal year as a result of spending under budgeted amounts.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Analysis of the District's Funds

The State imposes spending and tax levy limits on the District in its budget process. Legislation increased the amount of allowable General Fund unassigned fund balance from 2% to 4% of adjusted expenditures for June 30, 2021. At year end, the District's 4% limit is \$6,423,788 plus adjustments for certain additional unbudgeted State Aid of \$2,014,420, for a total of \$8,438,2088 as the maximum General Fund unassigned fund balance.

General Fund Budgetary Highlights

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

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Expenditures:			
Current Expense:			
Instruction:			
Regular Programs - Instruction:			
Grades 6-8 - Salaries of Teachers	\$ 9,956,759	\$ 11,198,784	\$ 11,198,784
Grades 9-12 - Salaries of Teachers	16,499,847	17,418,947	17,418,947
Regular Programs - Undistributed Instruction:			
General Supplies	2,618,533	2,663,190	1,953,335
Special Education - Instruction:			
Multiple Disabilities:			
Other Salaries for Instruction	605,798	876,492	876,492
Pre-School Disabilities - Full-Time:			
Salaries of Teachers	273,785	730,899	726,468
Other Salaries for Instruction	797,280	377,848	377,848
Administration Information Technology:			
Supplies and Materials	315,137	450,995	421,663
Custodial Services:			
Lease Purchase Payments - ESIP	1,450,738	1,350,738	1,303,196
General Supplies	349,928	521,858	446,416
Energy (Natural Gas)	700,000	573,922	568,166
Energy (Electricity)	1,100,000	1,252,573	1,252,424
Student Transportation Services:			
Salaries for Pupil Transportation:			
Between Home and School - Special	1,970,626	1,814,103	1,813,839
Between Home and School - Nonpublic Schools	436,118	183,340	155,696

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

General Fund Budgetary Highlights

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Expenditures:			
Current Expense:			
Unallocated Benefits:			
Social Security Contributions	\$ 1,218,500	\$ 2,110,924	\$ 2,043,280
Other Retirement Contributions - PERS	2,496,782	2,687,116	2,687,116
Unemployment Compensation		500,000	442,475
Health Benefits	32,934,597	30,054,106	28,523,485
Capital Outlay:			
Facilities Acquisition and Construction Services:			
Construction Services	1,000,000	377,888	271,678

- Due to the ongoing COVID-19 pandemic during the 20/21 school year, the District moved to a hybrid form of instruction. With the change to hybrid instruction, there were transfers of staff in regular and special education instruction within the District to ensure all staffing needs were met. These budgetary transfers resulted in increases and decreases in certain accounts depending on the coverage needs.
- The need for all general supplies was less than budgeted due to the hybrid learning schedule.
- An increased reliance of remote learning technologies led to greater technology costs than originally budgeted.
- Lease purchase payments were less than anticipated due to the timing of new leases acquired.
- The need for all custodial supplies was greater than anticipated due to the demands of the pandemic.
- Fluctuations in the costs of utilities occurred due to costs of commodities and usage being greater than projected.
- As a result of the ongoing pandemic and school closures/hybrid scheduling, not all transportation routes took place as anticipated. Many schools that had limited days requiring less transportation.
- Social security contributions increased due to the increase in staffing needs.
- The actual Other Retirement Contribution - PERS determined by the State was higher than projected.
- Unemployment claims increased significantly due to the ongoing pandemic. The District monitored and estimated new claims on a quarterly basis. Employee contributions are not sufficient to pay these claims, therefore, the Board was required to make a contribution to fund the unemployment account.
- Health benefit expenditures were less than budgeted due to the District's ability to negotiate a lower premium than originally projected.
- Capital outlay for construction services were less than anticipated due the reduction in current year projects.

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Capital Assets

The District's capital assets decreased by \$2,156,789, or 3.33%, during the fiscal year.

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

	Governmental Activities		Business-Type Activities		Total School District		%
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	Change 2020/21
Sites (Land)	\$ 9,263,696	\$ 9,263,696			\$ 9,263,696	\$ 9,263,696	
Construction in Progress	1,035,623	2,021,053			1,035,623	2,021,053	
Land Improvements	1,920,353	2,233,732			1,920,353	2,233,732	
Buildings and Building Improvements	46,842,231	46,968,543			46,842,231	46,968,543	
Machinery and Equipment	3,301,763	3,994,784	\$ 261,933	\$ 300,580	3,563,696	4,295,364	
Total Capital Assets, Net of Depreciation	<u>\$ 62,363,666</u>	<u>\$ 64,481,808</u>	<u>\$ 261,933</u>	<u>\$ 300,580</u>	<u>\$ 62,625,599</u>	<u>\$ 64,782,388</u>	<u>-3.33%</u>

The District expended \$1,447,456 for equipment purchases and facilities acquisition and construction services (\$981,663 from capital projects and \$456,941 from capital outlay for a total of \$1,438,604 in governmental activities, and \$8,852 from business-type activities). The District incurred \$3,551,915 and \$41,164 of depreciation related to governmental and business-type capital assets, respectively. (More detailed information about the District's capital assets is presented in Note 6 to the Basic Financial Statements).

Long-term Liabilities

The District's long-term liabilities decreased by \$6,822,602, or 9.39%, during the fiscal year. (More detailed information about the District's long-term liabilities is presented in Note 8 to the Basic Financial Statements).

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

	Total School District		Percentage
	2020/21	2019/20	Change 2020/21
General Obligation Bonds, Net (Financed with Property Taxes)	\$ 7,845,000	\$ 10,460,000	
Net Pension Liability	40,056,510	45,632,651	
Unamortized Bond Issuance Premium	739,928	1,109,892	
Capital Leases	13,246,256	11,784,398	
Compensated Absences	3,913,989	3,637,344	
	<u>\$ 65,801,683</u>	<u>\$ 72,624,285</u>	<u>-9.39%</u>

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Factors Bearing on the District's Future

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

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

**WAYNE TOWNSHIP PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Contacting the District's Financial Management

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

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 7,118,822	\$ 186,220	\$ 7,305,042
Cash with Fiscal Agents	1,844,806		1,844,806
Internal Balances	37,488	(37,488)	
Receivables from Other Governments	6,087,797	144,538	6,232,335
Other Receivables	284,970	176,215	461,185
Inventory		22,445	22,445
Restricted Assets:			
Cash and Cash Equivalents:	13,571,681		13,571,681
Capital Assets, Net:			
Sites (Land) and Construction in Progress	10,299,319		10,299,319
Depreciable Land Improvements, Buildings and Building Improvements and Machinery and Equipment	52,064,347	261,933	52,326,280
Total Assets	91,309,230	753,863	92,063,093
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	210,238		210,238
District Contribution Subsequent to the Measurement Date - Pensions	2,780,890	44,356	2,825,246
Deferred Outflows Related to Pensions	5,174,802	82,541	5,257,343
Total Deferred Outflows of Resources	8,165,930	126,897	8,292,827
LIABILITIES			
Payable to State Government	43,345		43,345
Accounts Payable	6,502,183	209,520	6,711,703
Accrued Interest Payable	300,845		300,845
Unearned Revenue	293,137	150,881	444,018
Noncurrent Liabilities:			
Due Within One Year	5,288,223		5,288,223
Due Beyond One Year	59,876,584	636,876	60,513,460
Total Liabilities	72,304,317	997,277	73,301,594
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	18,879,828	301,141	19,180,969
Total Deferred Inflows of Resources	18,879,828	301,141	19,180,969
NET POSITION			
Net Investment in Capital Assets	41,482,648	261,933	41,744,581
Restricted for:			
Capital Projects	8,681,710		8,681,710
Excess Surplus	1,750,000		1,750,000
Maintenance Reserve	3,800,000		3,800,000
Unemployment Compensation	389,319		389,319
Student Activities	604,612		604,612
Scholarships	90,043		90,043
Unrestricted (Deficit)	(48,507,317)	(679,591)	(49,186,908)
Total Net Position (Deficit)	\$ 8,291,015	\$ (417,658)	\$ 7,873,357

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

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating		Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Capital Grants and Contributions			
Governmental Activities:							
Instruction:							
Regular	\$ 85,659,414	\$ 714,879	\$ 21,424,147		\$ (63,520,388)		\$ (63,520,388)
Special Education	29,332,721		18,268,687		(11,064,034)		(11,064,034)
Other Special Instruction	5,362,490		1,343,987		(4,018,503)		(4,018,503)
School Sponsored/Other Instruction	5,784,882		1,106,971		(4,677,911)		(4,677,911)
Support Services:							
Tuition	6,817,368				(6,817,368)		(6,817,368)
Student & Instruction Related Services	31,525,550	252,529	8,217,102		(23,055,919)		(23,055,919)
General Administrative Services	1,639,608				(1,639,608)		(1,639,608)
School Administrative Services	10,029,853		2,351,145		(7,678,708)		(7,678,708)
Central Services	1,758,034				(1,758,034)		(1,758,034)
Administrative Information Technology	1,567,142				(1,567,142)		(1,567,142)
Plant Operations and Maintenance	16,225,240				(16,225,240)		(16,225,240)
Pupil Transportation	6,697,494		1,542,133		(5,155,361)		(5,155,361)
Transfer of Funds to Charter Schools	55,625				(55,625)		(55,625)
Interest on Long-Term Debt	208,033				(208,033)		(208,033)
Unallocated Depreciation*	2,781,516				(2,781,516)		(2,781,516)
Total Governmental Activities	205,444,970	967,408	54,254,172		(150,223,390)		(150,223,390)

* - Excludes direct depreciation expenses of the various programs.

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 1,495,795	\$ 24,180	\$ 1,197,230		\$ (274,385)	\$ (274,385)	
Community Education Program	3,263	3,625			362	362	
Wrap Around Program	5,426	275			(5,151)	(5,151)	
Extended Day Program	565,883	254,019			(311,864)	(311,864)	
Total Business-Type Activities	2,070,367	282,099	1,197,230		(591,038)	(591,038)	
Total Primary Government	\$ 207,515,337	\$ 1,249,507	\$ 55,451,402	\$ -0-	\$ (150,223,390)	\$ (150,814,428)	

General Revenues, Transfers and Other Items:

Taxes:							
Property Taxes, Levied for General Purposes, Net				155,236,154		155,236,154	
Taxes Levied for Debt Service				3,046,475		3,046,475	
Federal and State Aid not Restricted				266,828		266,828	
Investment Earnings				41,901		41,901	
Miscellaneous Income				492,501		492,501	
Transfers				(92,073)	92,073		
Other Items:							
Loss on Disposal of Equipment					(6,335)	(6,335)	
Food Service Management Contractor Contribution					150,000	150,000	
Total General Revenues, Transfers and Other Items				158,991,786	235,738	159,227,524	
Change in Net Position				8,768,396	(355,300)	8,413,096	
Net Position (Deficit) - Beginning (Restated)				(477,381)	(62,358)	(539,739)	
Net Position (Deficit) - Ending				\$ 8,291,015	\$ (417,658)	\$ 7,873,357	

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

FUND FINANCIAL STATEMENTS

WAYNE TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 6,432,743		\$ 686,079		\$ 7,118,822
Cash with Fiscal Agents			1,844,806		1,844,806
Interfund Receivable	731,207				731,207
Receivables from Other Governments	5,058,645	\$ 1,029,152			6,087,797
Other Receivables	91,166	193,804			284,970
Restricted Cash and Cash Equivalents	12,871,029	700,652			13,571,681
Total Assets	<u>\$25,184,790</u>	<u>\$ 1,923,608</u>	<u>\$ 2,530,885</u>	<u>\$ - 0 -</u>	<u>\$ 29,639,283</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable		\$ 693,719			\$ 693,719
Payable to State Government		43,345			43,345
Accounts Payable	\$ 3,370,323	227,168	\$ 123,802		3,721,293
Unearned Revenue	28,416	264,721			293,137
Total Liabilities	<u>3,398,739</u>	<u>1,228,953</u>	<u>123,802</u>		<u>4,751,494</u>
Fund Balances:					
Restricted:					
Capital Reserve Account	8,681,710				8,681,710
Maintenance Reserve Account	3,800,000				3,800,000
Excess Surplus - Designated for Subsequent Year's Expenditures	1,750,000				1,750,000
Unemployment Compensation	389,319				389,319
Student Activities		604,612			604,612
Scholarships		90,043			90,043
Committed:					
Capital Projects Fund			2,407,083		2,407,083
Assigned:					
Encumbrances	710,699				710,699
Unassigned	6,454,323				6,454,323
Total Fund Balances	<u>21,786,051</u>	<u>694,655</u>	<u>2,407,083</u>		<u>24,887,789</u>
Total Liabilities and Fund Balances	<u>\$25,184,790</u>	<u>\$ 1,923,608</u>	<u>\$ 2,530,885</u>	<u>\$ - 0 -</u>	<u>\$ 29,639,283</u>

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

Total Fund Balances (From Above)	\$ 24,887,789
Capital Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	62,363,666
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions	5,174,802
Deferred Inflows of Resources Related to Pensions	(18,879,828)
Long-Term Liabilities, including Bonds Payable, Unamortized Bond Issuance Premiums, PERS Net Pension Liability, Capital Leases Payable and Compensated Absences Payable are not due and payable in the current period and therefore are not reported as Liabilities in the Funds.	(65,164,807)
Interest on Long-Term Debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(300,845)
The Deferred Amount on Refunding is not reported as an expenditure in the Governmental Funds in the year of the expenditure.	210,238
Net Position (Deficit) of Governmental Activities	<u>\$ 8,291,015</u>

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

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 155,236,154			\$ 3,046,475	\$ 158,282,629
Tuition	714,879				714,879
Restricted Miscellaneous Revenues		\$ 252,529			252,529
Unrestricted Miscellaneous Revenues	533,113	53,167	\$ 1,289		587,569
Total - Local Sources	156,484,146	305,696	1,289	3,046,475	159,837,606
State Sources	41,073,931	673,021			41,746,952
Federal Sources	113,340	4,143,954			4,257,294
Total Revenues	197,671,417	5,122,671	1,289	3,046,475	205,841,852
EXPENDITURES					
Current:					
Regular Instruction	48,078,577	1,389,728			49,468,305
Special Education Instruction	15,225,536	2,138,438			17,363,974
Other Special Instruction	3,006,889				3,006,889
School Sponsored/Other Instruction	3,818,692				3,818,692
Support Services and Undistributed Costs:					
Tuition	6,817,368				6,817,368
Student & Instruction Related Services	17,772,087	1,591,056			19,363,143
General Administrative Services	1,435,853				1,435,853
School Administrative Services	5,423,251				5,423,251
Central Services	1,350,181				1,350,181
Administration Information Technology	1,982,173				1,982,173
Plant Operations and Maintenance	14,219,548				14,219,548
Pupil Transportation	5,910,839				5,910,839
Allocated Benefits					
Unallocated Benefits	65,108,025				65,108,025
Transfer of Funds to Charter Schools	55,625				55,625
Capital Outlay	461,370	48,507	2,189,862		2,699,739
Debt Service:					
Principal				2,615,000	2,615,000
Interest and Other Charges				431,475	431,475
Total Expenditures	190,666,014	5,167,729	2,189,862	3,046,475	201,070,080
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	7,005,403	(45,058)	(2,188,573)		4,771,772
OTHER FINANCING SOURCES/(USES)					
Capital Leases (non-budgeted)			3,614,635		3,614,635
Transfers In	153,432				153,432
Transfers Out	(92,073)		(153,432)		(245,505)
Total Other Financing Sources/(Uses)	61,359		3,461,203		3,522,562
Net Change in Fund Balances	7,066,762	(45,058)	1,272,630		8,294,334
Fund Balance - July 1 (Restated)	14,719,289	739,713	1,134,453		16,593,455
Fund Balance - June 30	\$ 21,786,051	\$ 694,655	\$ 2,407,083	\$ - 0 -	\$ 24,887,789

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

WAYNE TOWNSHIP 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

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2)	\$ 9,296,076
Amounts Reported for Governmental Activities in the Statement of Activities (Exhibit A-2) are Different Because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and net disposals differs from capital outlays in the period.	Depreciation expense \$ (3,551,915) Capital outlays 1,438,604 _____ (4,831)
Disposal of capital assets, net of accumulated depreciation	(2,118,142)
Capital leases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.	(3,614,635)
Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	2,152,777
Repayment of debt service principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	2,615,000
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).	112,653
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	5,575,297
Change in Deferred Outflows	(3,375,628)
Change in Deferred Inflows	(862,656)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used/(paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	(275,449)
The governmental funds report the effect of bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (+)	369,964
The governmental funds report the effect of deferred amount on refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (-)	(105,119)
Change in Net Position of Governmental Activities (Exhibit A-2)	<u>\$ 9,770,138</u>

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

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			Totals
	Food Service Program	Extended Day Program	Non-Major Funds	
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents		\$ 134,486	\$ 51,734	\$ 186,220
Accounts Receivable:				
Other Governments:				
Federal	\$ 135,014			135,014
State	9,524			9,524
Other	174,407	1,808		176,215
Inventories	22,445			22,445
Total Current Assets	341,390	136,294	51,734	529,418
Non-Current Assets:				
Capital Assets	1,257,451			1,257,451
Less: Accumulated Depreciation	(995,518)			(995,518)
Total Non-Current Assets	261,933			261,933
Total Assets	603,323	136,294	51,734	791,351
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>				
Deferred Outflows Related to Pensions		82,541		82,541
District Contribution Subsequent to the Measurement Date - Pensions		44,356		44,356
Total Deferred Outflows of Resources		126,897		126,897

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds		Non-Major Funds	Totals
	Food Service Program	Extended Day Program		
<u>LIABILITIES:</u>				
Current Liabilities:				
Accounts Payable	\$ 161,321	\$ 48,087	\$ 112	\$ 209,520
Interfund Payable - General Fund	37,488			37,488
Unearned Revenue:				
Donated Commodities	9,698			9,698
Prepaid Sales	132,883			132,883
Prepaid Program Fees			8,300	8,300
Long-term Liabilities:				
Net Pension Liability		628,887		628,887
Compensated Absences Payable		7,989		7,989
Total Liabilities	341,390	684,963	8,412	1,034,765
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred Inflows Related to Pensions		301,141		301,141
Total Deferred Inflows of Resources		301,141		301,141
<u>NET POSITION/(DEFICIT):</u>				
Investment in Capital Assets	261,933			261,933
Unrestricted/(Deficit)		(722,913)	43,322	(679,591)
Total Net Position/(Deficit)	\$ 261,933	\$ (722,913)	\$ 43,322	\$ (417,658)

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

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30,2021

	Business-Type Activities - Enterprise Funds			Totals
	Major Funds			
	Food Service Program	Extended Day Program	Non-Major Funds	
Operating Revenue:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 24,180			\$ 24,180
Program Fees		\$ 254,019	\$ 3,900	257,919
Total Operating Revenue	24,180	254,019	3,900	282,099
Operating Expenses:				
Cost of Sales - Reimbursable Programs	443,218			443,218
Salaries	374,268	418,527	3,275	796,070
Employee Benefits	254,379	118,225		372,604
Other Purchased Services		3,746		3,746
Management Fee	279,500			279,500
Supplies and Materials	103,266	25,385	5,414	134,065
Depreciation Expense	41,164			41,164
Total Operating Expenses	1,495,795	565,883	8,689	2,070,367
Operating Income (Loss)	(1,471,615)	(311,864)	(4,789)	(1,788,268)
Non-Operating Revenue:				
Federal Sources:				
Covid19 - Seamless Summer Option - Lunch	665,994			665,994
Covid19 - Seamless Summer Option - Breakfast	374,445			374,445
Food Distribution Program	118,054			118,054
State Sources:				
Covid19 - Seamless Summer Option - Lunch	38,737			38,737
Total Non-Operating Revenue	1,197,230			1,197,230
Change in Net Position Before Transfers and Other Items	(274,385)	(311,864)	(4,789)	(591,038)
Transfers In - General Fund	92,073			92,073
Other Item - Loss on Disposal of Equipment	(6,335)			(6,335)
Other Item - Food Service Management Contractor Contribution	150,000			150,000
Change in Net Position After Transfers and Other Items	(38,647)	(311,864)	(4,789)	(355,300)
Net Position/(Deficit) - Beginning of Year	300,580	(411,049)	48,111	(62,358)
Net Position/(Deficit) - End of Year	\$ 261,933	\$ (722,913)	\$ 43,322	\$ (417,658)

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

WAYNE TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			Totals
	Food Service Program	Extended Day Program	Non-Major Funds	
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 228,793	\$ 163,711	\$ (58,525)	\$ 333,979
Payments to Employees		(450,269)	(3,275)	(453,544)
Payments to Food Service Vendor	(1,141,830)			(1,141,830)
Payments to Suppliers	(103,266)	(26,553)	(5,545)	(135,364)
Net Cash Used for Operating Activities	(1,016,303)	(313,111)	(67,345)	(1,396,759)
Cash Flows from Capital Financing Activities:				
Acquisition of Capital Assets	(8,852)			(8,852)
Net Cash Used for Capital Financing Activities	(8,852)			(8,852)
Cash Flows from Noncapital Financing Activities:				
Federal Sources	954,451			954,451
State Sources	35,501			35,501
Payments from General Fund	35,203			35,203
Net Cash Provided by Noncapital Financing Activities	1,025,155			1,025,155
Net Decrease in Cash and Cash Equivalents	- 0 -	(313,111)	(67,345)	(380,456)
Cash and Cash Equivalents, July 1		447,597	119,079	566,676
Cash and Cash Equivalents, June 30	\$ - 0 -	\$ 134,486	\$ 51,734	\$ 186,220
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ (1,471,615)	\$ (311,864)	\$ (4,789)	\$ (1,788,268)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities:				
Depreciation	41,164			41,164
Federal Food Distribution Program	118,054			118,054
Changes in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	122,914	(1,808)		121,106
Decrease in Inventory	19,075			19,075
Increase/(Decrease) in Accounts Payable	72,406	2,578	(131)	74,853
Increase in Compensated Absences Payable		1,196		1,196
Increase/(Decrease) in Unearned Revenue	81,699	(88,500)	(62,425)	(69,226)
(Decrease) in Net Pension Liability		(844)		(844)
Decrease in Deferred Outflows Related to Pensions		37,106		37,106
Increase in Deferred Inflows Related to Pensions		49,025		49,025
Net Cash Used for Operating Activities	\$ (1,016,303)	\$ (313,111)	\$ (67,345)	\$ (1,396,759)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$85,231 and \$118,054 respectively, for the fiscal year ended June 30, 2021.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following proprietary funds:

Enterprise Funds: The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District's Enterprise Funds include the operations of its Food Service, Extended Day, Community Education, and Wrap Around programs. The Food Service and Extended Day programs are major funds, and the Community Education and Wrap Around are non-major funds.

C. Measurement Focus and Basis of Accounting:

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

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

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2021 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund.

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

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

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

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

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of School Security grant. These grants are recognized on the budgetary basis in full when they are awarded but recognized on the GAAP basis only to the extent of expenditures which have been submitted for reimbursement.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 197,746,969	\$ 5,065,380
Difference - Budgetary to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP basis does not.		
Current Year Encumbrances		(54,390)
Prior Year Encumbrances		111,681
Prior Year State aid payments recognized for GAAP statements, not recognized for budgetary purposes	470,957	
Current Year State aid payments recognized for budgetary purposes, not recognized for GAAP statements	(546,509)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 197,671,417	\$ 5,122,671
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 190,666,014	\$ 5,110,438
Differences - Budgetary to GAAP:		
Encumbrances for Supplies and Equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(54,390)
Prior Year Encumbrances		111,681
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 190,666,014	\$ 5,167,729
		Capital Projects Fund - Revenue
Revenue per Summary Schedule of Revenue, Expenditures and Changes in Fund Balance(Budgetary Basis)		\$ 440,184
Reconciliation to Governmental Funds Statement (GAAP):		
Grant Revenue/Receivable Recognized/(Not Recognized) on GAAP Basis:		
School Security Grant		(438,895)
Revenue per Governmental Funds (GAAP)		\$ 1,289

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

E. Cash and Cash Equivalents and Investments:

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

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

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise and general funds represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

K. Capital Assets:

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

K. Capital Assets: (Cont'd)

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

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore, there are no accrued salaries and wages for this purpose as of June 30, 2021.

N. Compensated Absences:

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$21,786,051 General Fund balance at June 30, 2021, \$710,699 is assigned for encumbrances; \$8,681,710 is restricted in the capital reserve account; \$3,800,000 is restricted in the maintenance reserve account; \$1,750,000 is restricted for prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2022; \$389,319 is restricted for unemployment compensation; and \$6,454,323 is unassigned which is \$546,509 less on the GAAP basis than the calculated maximum unassigned fund balance due to the June state aid payments that are not recognized until the fiscal year ending June 30, 2022.

Special Revenue Fund: The Special Revenue Fund balance at June 30, 2021 is \$694,655 and is restricted for student activities and scholarships.

Capital Projects Fund: The Capital Projects Fund balance of \$2,407,083 at June 30, 2021, is committed.

Debt Service Fund: The Debt Service Fund balance at June 30, 2021 is \$-0-.

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

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

Q. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

Q. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

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

Fund balance restrictions have been established for excess surplus, capital reserve, maintenance reserve, unemployment compensation, student activities and scholarships

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources in the Capital Projects Fund at June 30, 2021.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for encumbrances in the General Fund at June 30, 2021.

R. Deficit Net Position:

The District has a \$48,507,317 deficit in unrestricted net position in governmental activities, primarily due to the accrual of compensated absences payable, unamortized bond issuance premiums, net pension liability and the related deferred inflows and outflows. The District also has a \$722,913 deficit in unrestricted net position in the Extended Day Program Enterprise Fund due to the accrual of net pension liability, the related deferred inflows and outflows in the Extended Day Program Enterprise Fund, a \$679,591 deficit in unrestricted net position, and a \$417,658 deficit in total net position from business-type activities. These deficit balances do not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

S. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2021 for the deferred amount on refunding of debt related to the District's 2012 refunding bonds and pensions. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had a deferred inflow of resources at June 30, 2021 for pensions.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

S. Net Position: (Cont'd)

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

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

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

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

T. Revenue - Exchange and Nonexchange Transactions:

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

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

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

U. Operating Revenue and Expenses:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

V. Management Estimates:

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

W. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local units or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

Investments: (Cont'd)

- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

Investments: (Cont'd)

As of June 30, 2021, cash and cash equivalents and investments of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents					Cash with Fiscal Agents	Total
		Capital Reserve Account	Maintenance Reserve Account	Unemployment	Student Activities	Scholarships		
Checking Accounts	\$ 7,305,042	\$ 8,681,710	\$ 3,800,000	\$ 389,319	\$ 610,609	\$ 55,530	\$ 1,844,806	\$ 22,687,016
Certificates of Deposit						34,513		34,513
	<u>\$ 7,305,042</u>	<u>\$ 8,681,710</u>	<u>\$ 3,800,000</u>	<u>\$ 389,319</u>	<u>\$ 610,609</u>	<u>\$ 90,043</u>	<u>\$ 1,844,806</u>	<u>\$ 22,721,529</u>

During the period ended June 30, 2021, the District did not hold any investments other than certificates of deposit, which has a maturity of less than one year. The carrying amount of the Board's cash and cash equivalents and investments at June 30, 2021 was \$22,721,529 and the bank balance was \$27,657,585.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

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

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

Beginning Balance, July 1, 2020	\$ 6,835,014
Interest Earnings	8,123
Unexpended Balance Returned - Capital Outlay	38,573
Deposit by Board Resolution - June 2021	2,800,000
Budgeted Withdrawal from Capital Reserve - Capital Outlay	<u>(1,000,000)</u>
Ending Balance, June 30, 2021	<u>\$ 8,681,710</u>

The balance in the capital reserve account at June 30, 2021 does not exceed the balance of local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFP.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2021, the District transferred \$68,497 to the capital outlay accounts for equipment and did not require approval from the County Superintendent.

NOTE 6. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2021 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Sites (Land)	\$ 9,263,696			\$ 9,263,696
Construction in Progress	2,021,053	\$ 981,663	\$ (1,967,093)	1,035,623
Total Capital Assets Not Being Depreciated	<u>11,284,749</u>	<u>981,663</u>	<u>(1,967,093)</u>	<u>10,299,319</u>
Capital Assets Being Depreciated:				
Land Improvements	10,835,814			10,835,814
Buildings and Building Improvements	101,059,765	217,815	1,967,093	103,244,673
Machinery and Equipment	22,982,646	239,126	(195,084)	23,026,688
Total Capital Assets Being Depreciated	<u>134,878,225</u>	<u>456,941</u>	<u>1,772,009</u>	<u>137,107,175</u>
Governmental Activities Capital Assets	<u>146,162,974</u>	<u>1,438,604</u>	<u>(195,084)</u>	<u>147,406,494</u>
Less Accumulated Depreciation for:				
Land Improvements	(8,602,082)	(313,379)		(8,915,461)
Buildings and Building Improvements	(54,091,222)	(2,311,220)		(56,402,442)
Machinery and Equipment	(18,987,862)	(927,316)	190,253	(19,724,925)
	<u>(81,681,166)</u>	<u>(3,551,915)</u>	<u>190,253</u>	<u>(85,042,828)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 64,481,808</u>	<u>\$ (2,113,311)</u>	<u>\$ (4,831)</u>	<u>\$ 62,363,666</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 1,273,285	\$ 8,852	\$ (24,686)	\$ 1,257,451
Less Accumulated Depreciation	(972,705)	(41,164)	18,351	(995,518)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 300,580</u>	<u>\$ (32,312)</u>	<u>\$ (6,335)</u>	<u>\$ 261,933</u>

The increases totaling \$1,447,456 represent current year capitalized expenditures in the general fund, the capital projects fund and the food service enterprise fund. As of June 30, 2021, the District has \$6,461,089 in active construction projects with unexpended balances of \$2,845,978.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 180,939
School Sponsored/Other Instruction	26,007
Student and Instruction Related Services	22,924
General Administrative Services	167
School Administrative Services	1,435
Central Services	1,549
Plant Operations and Maintenance	124,903
Pupil Transportation	412,475
Unallocated	2,781,516
	<u>\$ 3,551,915</u>

NOTE 7. OPERATING LEASES

The District has commitments to lease copying equipment under operating leases which expire in 2023. Total operating lease payments made during the year ended June 30, 2021 were \$310,087. Future minimum lease payments are as follows:

Fiscal Year Ended June 30,	Amount
2022	\$ 310,087
2023	310,087
	<u>\$ 620,174</u>

NOTE 8. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2021, the following changes occurred in liabilities reported in the District-wide financial statements:

	Balance 6/30/2020	Issued/ Added	Retired	Balance 6/30/2021	Balance Due Within One Year
Governmental Funds:					
Serial Bonds Payable	\$ 10,460,000		\$ 2,615,000	\$ 7,845,000	\$ 2,610,000
Unamortized Bond Issuance Premium	1,109,892		369,964	739,928	369,964
Net Pension Liability	45,002,920		5,575,297	39,427,623	- 0 -
Capital Leases Payable	11,784,398	\$ 3,614,635	2,152,777	13,246,256	2,029,956
Compensated Absences Payable	3,630,551	483,086	207,637	3,906,000	278,303
Total Governmental Funds	<u>71,987,761</u>	<u>4,097,721</u>	<u>10,920,675</u>	<u>65,164,807</u>	<u>5,288,223</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

	Balance 6/30/2020	Issued/ Added	Retired	Balance 6/30/2021	Balance Due Within One Year
Proprietary Funds:					
Net Pension Liability	\$ 629,731		\$ 844	\$ 628,887	\$ - 0 -
Compensated Absences Payable	6,793	\$ 1,196		7,989	- 0 -
Total Proprietary Funds	636,524	1,196	844	636,876	- 0 -
Total All Funds	<u>\$ 72,624,285</u>	<u>\$ 4,098,917</u>	<u>\$ 10,921,519</u>	<u>\$ 65,801,683</u>	<u>\$ 5,288,223</u>

A. Bonds Payable:

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

The District had bonds outstanding as of June 30, 2021 as follows:

Purpose	Final Maturity	Interest Rate	Amount
School Refunding Bonds	07/15/23	4.50% - 5.00%	\$ 7,845,000
			<u>\$ 7,845,000</u>

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

Fiscal Year Ended June 30,	Principal	Interest	Total
2022	\$ 2,610,000	\$ 313,925	\$ 2,923,925
2023	2,620,000	183,175	2,803,175
2024	2,615,000	58,838	2,673,838
	<u>\$ 7,845,000</u>	<u>\$ 555,938</u>	<u>\$ 8,400,938</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2021, the Board had no bonds authorized but not issued.

C. Capital Leases Payable:

The District has capital leases payable for equipment, buses, chromebooks, turf fields and an energy savings improvement program as of June 30, 2021. The leases for equipment, buses, chromebooks and turf fields are for five years with the final payments occurring in fiscal years 2021-22, 2022-23, 2023-24, 2024-25 and 2025-26 while the energy savings improvement program leases are for fifteen years with the final payments occurring in fiscal years 2029-30 and 2035-36.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

C. Capital Leases Payable: (Cont'd)

N.J.S.A. 18A:18A-4.6(c), Implementation of an energy savings improvement program by a board of education/board of trustees, provides the authority for public school districts/charter schools to finance an energy savings improvement program through a lease-purchase agreement or through the issuance of energy savings obligations. The ESIP law provides that the energy savings obligation shall be funded through appropriations in the General Fund annual budget, on the basis that cost of implemented energy conservation measures should be fully offset by energy savings to be generated by such measures (on both an annual and aggregate basis).

The gross amount of assets acquired under capital leases have been classified as building improvements and machinery and equipment in the District's capital assets. The District has entered capital lease agreements totaling \$22,506,403 of which \$9,260,147 has been liquidated as of June 30, 2021. The capital lease amount liquidated in the current year for building and building improvements was \$592,397 and for machinery and equipment was \$1,560,380.

The schedule of the future minimum lease payments under the District's capital leases and the present value of the net minimum lease payments at June 30, 2021 are detailed below.

<u>Year</u>	<u>Amount</u>
2022	\$ 2,373,019
2023	2,080,602
2024	1,994,176
2025	1,636,161
2026	1,228,966
2027-2031	4,676,408
Thereafter	<u>856,743</u>
	14,846,075
Less: Amount representing interest	<u>(1,599,819)</u>
Present value of net minimum lease payments	<u>\$ 13,246,256</u>

The current portion of capital leases payable at June 30, 2021 is \$2,029,956 and the long-term portion is \$11,216,300. The General Fund will be used to liquidate capital leases payable.

D. Compensated Absences:

The liability for compensated absences of the governmental and proprietary fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds at June 30, 2021 is \$278,303 and is shown separately from the long-term portion of \$3,627,697. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. The current portion the compensated absences balance of the proprietary funds at June 30, 2021 is \$-0- and is separated from the long-term portion of \$7,989 in the Extended Day Program Fund.

Compensated Absences Payable of the governmental fund types will be liquidated by the General Fund, and the compensated absences in the proprietary funds will be liquidated by the Extended Day Program Fund.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$39,427,623. The Public Employees' Retirement System's (PERS) net pension liability of the proprietary fund types is recorded in the current and long-term liabilities and will be liquidated by the Extended Day Program

Enterprise Fund. The current portion of the net pension liability at June 30, 2021 is \$-0- and the long-term portion is \$628,887. See Note 9 for further information on the PERS.

F. Unamortized Bond Issuance Premium:

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

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided: (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$2,687,116 for 2021.

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

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

At June 30, 2021, the District reported a liability of \$40,056,510 for its proportionate share of the net pension liability. 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 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.246%, which was a decrease of 0.007% from its proportion measured as of June 30, 2019.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2021, the District recognized pension expense of \$1,435,389. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	5.57	\$ 1,299,479	
	2017	5.48		\$ (3,791,676)
	2018	5.63		(3,719,899)
	2019	5.21		(2,954,132)
	2020	5.16		(6,306,333)
				<u>1,299,479</u>
Difference Between Expected & Actual Experience	2016	5.57	39,436	
	2017	5.48	112,764	
	2018	5.63		(141,657)
	2019	5.21	225,815	
	2020	5.16	351,348	
				<u>729,363</u>
Changes in Proportion	2016	5.57	61,036	
	2017	5.48	285,191	
	2018	5.63		(884,087)
	2019	5.21	1,513,110	
	2020	5.16		(1,383,185)
				<u>1,859,337</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2017	5.00	(490,171)	
	2018	5.00	(454,604)	
	2019	5.00	110,015	
	2020	5.00	2,203,924	
				<u>1,369,164</u>
District Contribution Subsequent to the Measurement Date	2020	1.00	2,825,246	
			<u>\$ 8,082,589</u>	<u>\$ (19,180,969)</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2021	\$ (5,026,359)
2022	(4,582,512)
2023	(2,618,788)
2024	(1,058,994)
2025	(229,038)
	\$ (13,515,691)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long Term Expected Rate of Return

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

Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2020 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-U.S. Developed Market Equity	13.50%	8.57%
Emerging Markets 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 Management Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. 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 and the nonemployer contributing entity will be based upon 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate (Cont'd)

Based on those assumptions, the plan's fiduciary net position was projected to be available to make all 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 the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2020 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 50,312,763	\$ 40,056,510	\$ 31,189,772

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2021, the State of New Jersey contributed \$18,516,988 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$25,976,512.

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2021, the State's proportionate share of the net pension liability associated with the District was \$417,734,539. 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 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.634%, which was an increase of 0.007% from its proportion measured as of June 30, 2019.

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		417,734,539
Total	\$	<u>417,734,539</u>

For the fiscal year ended June 30, 2020, the State recognized pension expense on behalf of the District in the amount of \$25,976,512 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2021 financial statements.

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.50	\$ 461,324,773	
	2015	8.30	1,638,696,238	
	2016	8.30	4,304,747,820	
	2017	8.30		\$ 6,882,861,832
	2018	8.29		4,349,959,805
	2019	8.04		3,009,143,115
	2020	7.99	<u>1,411,170,422</u>	
				<u>7,815,939,253</u>
Difference Between Expected and Actual Experience	2014	8.50		4,393,807
	2015	8.30	101,207,836	
	2016	8.30		53,533,223
	2017	8.30	122,460,660	
	2018	8.29	763,099,015	
	2019	8.04		116,909,940
	2020	7.99	<u>7,520,890</u>	
				<u>986,767,511</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2017	5.00	\$ (226,008,261)	
	2018	5.00	(192,060,744)	
	2019	5.00	108,662,078	
	2020	5.00	965,582,162	
			<u>656,175,235</u>	
			<u>\$ 9,458,881,999</u>	<u>\$ 14,424,322,612</u>

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

Fiscal Year Ending June 30,	Total
2021	\$ (262,056,928)
2022	(188,358,995)
2023	(774,174,971)
2024	(1,939,112,462)
2025	(1,466,451,639)
Thereafter	<u>(335,285,618)</u>
	<u>\$ (4,965,440,613)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55 – 4.45% based on years of service
Thereafter	2.75 – 5.65% based on years of service
Investment Rate of Return	7.00%

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 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-U.S. Developed Market Equity	13.50%	8.57%
Emerging Markets 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 Management Strategies	3.00%	3.40%

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2020 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	At 1% Decrease (4.40%)	At Current Discount Rate (5.40%)	At 1% Increase (6.40%)
State's Proportionate Share of the Net Pension Liability Attributable to the District	\$ 490,678,139	\$ 417,734,539	\$ 357,167,123

Pension Plan Fiduciary Net Position- TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

For DCRP, the District recognized pension expense of \$111,404 for the year ended June 30, 2021. Employee contributions to DCRP amounted to \$165,466 for the year ended June 30, 2021.

NOTE 10. RISK MANAGEMENT

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

Property and Liability Insurance

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

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

Selected, summarized financial information for the Group as of June 30, 2021 was not yet available at the time of audit. Information as of June 30, 2020 is as follows:

Total Assets	\$ 384,022,002
Net Position	\$ 142,512,304
Total Revenue	\$ 144,445,665
Total Expenses	\$ 113,037,156
Change in Net Position	\$ 28,129,310
Member Dividends	\$ 3,279,199

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

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

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

New Jersey Unemployment Compensation Insurance

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

The following is a summary of the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ - 0 -	\$ - 0 -	\$ 413,974	\$ 356,449	\$ 389,319
2019-2020	- 0 -	- 0 -	274,566	250,721	331,794
2018-2019	- 0 -	- 0 -	248,857	207,879	307,949

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. DEFERRED COMPENSATION

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

The plan administrators are as follows:

403(b)

AIG Valic
AXA Equitable
Lincoln Investment Planning
IPX Vanguard
IPX Fidelity

457

AIG Valic
AXA Equitable
Lincoln Investment Planning

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The following interfund balances remained on the balance sheet at June 30, 2021:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 731,207	
Special Revenue Fund		\$ 693,719
Proprietary Fund - Food Service Enterprise Fund		37,488
	<u>\$ 731,207</u>	<u>\$ 731,207</u>

The interfund payable from the Special Revenue Fund due to the General Fund is for cash flow purposes awaiting the collection of federal grants receivable. The interfund payable from the Food Service Enterprise Fund due to the General Fund is for expenses paid by the General Fund on behalf of the Food Service Enterprise Fund.

During the fiscal year, the General Fund transferred \$92,073 to the Food Service Enterprise Fund for the current year board contribution.

NOTE 14. RECEIVABLES FROM OTHER GOVERNMENTS

The following receivables due from other governments existed as of June 30, 2021:

	<u>Governmental Funds</u>			<u>Business- Type Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>
Federal		\$ 1,029,152	\$ 1,029,152	\$ 135,014
State	\$ 5,058,645		5,058,645	9,524
	<u>\$ 5,058,645</u>	<u>\$ 1,029,152</u>	<u>\$ 6,087,797</u>	<u>\$ 144,538</u>

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 15. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2021:

	<u>Governmental Funds</u>			<u>District Contribution Subsequent to the Measurement Date</u>	<u>Total Governmental Activities</u>	<u>Business- Type Activities Proprietary Funds</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>			
Payroll Deductions and Withholdings	\$ 843,825				\$ 843,825	
Accrued Salaries and Wages	1,133,965				1,133,965	
Vendors	1,392,533	\$227,168	\$123,802		1,743,503	\$ 165,164
Due State of New Jersey				\$2,780,890	2,780,890	44,356
	<u>\$3,370,323</u>	<u>\$227,168</u>	<u>\$123,802</u>	<u>\$2,780,890</u>	<u>\$6,502,183</u>	<u>\$ 209,520</u>

NOTE 16. CONTINGENCIES

Litigation

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

Grant Programs

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

Encumbrances

At June 30, 2021, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

<u>Governmental Funds</u>			
<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<u>\$ 710,699</u>	<u>\$ 54,390</u>	<u>\$ 1,651,002</u>	<u>\$ 2,416,091</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2021, \$-0- is assigned for encumbrances in the Special Revenue Fund, which is \$54,390 less than the actual encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund. On the GAAP basis, the year-end encumbrances of \$1,651,002 in the Capital Projects Fund are included in the \$2,407,083 of committed fund balance.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 17. TAX CALENDAR

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

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

NOTE 18. TAX ABATEMENTS

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

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

The Township of Wayne recognized revenue in the amount of \$442,494 from four payment in lieu of taxes ("PILOT") agreements. The taxes which would have been paid on these properties for 2020 without the abatement would have been \$2,585,553 of which \$1,376,242 would have been for the local school tax.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 19. MAINTENANCE RESERVE ACCOUNT

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

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District’s school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year’s budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2020	\$ -0-
Deposit by Board Resolution - June 2021	3,800,000
Ending Balance, June 30, 2021	\$ 3,800,000

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

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

Employees Covered by Benefit Terms

At June 30, 2019, the plan membership consisted of the following:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019.

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Health Care Trend Assumptions

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

Discount Rate

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

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

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

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

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

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

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

For the fiscal year ended June 30, 2021 the District recognized OPEB expense of \$6,917,409 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 20. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

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

N/A - Not Available

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

NOTE 21. PRIOR PERIOD ADJUSTMENTS

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year ended June 30, 2021. As part of this implementation, the activity for the Unemployment Compensation Insurance Trust Fund which had previously been reported in the Fiduciary Funds is now reported in the General Fund. The Student Activities Fund (which includes Athletic Activities) and Private Purpose Scholarship Trust Fund are now reported in the Special Revenue Fund. The District made a prior period adjustment from net investment in capital assets to unrestricted net position to properly categorize the bond premium liability. The ending balances as of June 30, 2020 were restated due to this implementation as follows:

	Balance 6/30/2020 as Previously Reported	Retroactive Adjustments	Balance 6/30/2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Investment in Capital Assets	\$ 41,442,875	\$ 1,109,892	\$ 42,552,767
Unrestricted (Deficit)	(53,432,449)	(1,109,892)	(54,542,341)
Net Position - Ending	(1,548,888)	1,071,507	(477,381)
<u>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	14,387,495	331,794	14,719,289
Special Revenue Fund:			
Fund Balance - June 30	-0-	739,713	739,713
<u>Statement of Changes in Fiduciary Net Position - Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	331,794	(331,794)	-0-
Private Purpose Scholarship Trust:			
Net Position - End of the Year	90,182	(90,182)	-0-

NOTE 22. SUBSEQUENT EVENT

The COVID-19 outbreak in the United States and specifically in New Jersey continues to cause disruption of the District's financial operations. Though the impact on the District's operations cannot be reasonably estimated at this date, it is likely that there will be an impact on certain revenue in the General Fund other than state aid and the local tax levy. There have been additional operating expenses in the General Fund due to schools re-opening on a full-time basis.

The District's Food Service Fund has been impacted by COVID-19 for the fiscal year ending June 30, 2022 as the District continues to offer free lunches to students.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
District's proportion of the Net Pension Liability	0.215556877%	0.2429573956%	0.2459601678%	0.2508036542%	0.2424126822%	0.2532546778%	0.2456341765%
District's proportionate share of the Net Pension Liability	\$ 40,357,920	\$ 54,539,067	\$ 72,846,347	\$ 58,383,082	\$ 47,729,849	\$ 45,632,651	\$ 40,056,510
District's Covered Employee Payroll	\$ 16,021,395	\$ 16,439,285	\$ 16,931,535	\$ 16,711,030	\$ 17,143,937	\$ 17,401,283	\$ 17,306,991
District's proportionate share of the Net Pension Liability as a % of its Covered Employee Payroll	251.90%	331.76%	430.24%	349.37%	278.41%	262.24%	231.45%
Plan Fiduciary Net Position as a % of the Total Pension Liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%

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

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 1,777,010	\$ 2,098,522	\$ 2,230,045	\$ 2,363,539	\$ 2,424,001	\$ 2,475,405	\$ 2,687,116
Contributions in relation to the Contractually Required Contribution	(1,777,010)	(2,098,522)	(2,230,045)	(2,363,539)	(2,424,001)	(2,475,405)	(2,687,116)
Contribution Deficiency/(Excess)	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Covered Employee Payroll	\$ 16,439,285	\$ 16,931,535	\$ 16,711,030	\$ 17,143,937	\$ 17,401,283	\$ 17,306,991	\$ 17,540,082
Contributions as a percentage of Covered Employee Payroll	10.81%	12.39%	13.34%	13.79%	13.93%	14.30%	15.32%

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

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
State's proportion of the Net Pension Liability attributable to the District	0.6435044679%	0.6370676705%	0.6339011628%	0.6322788603%	0.6445988239%	0.62659995%	0.6343844684%
State's proportionate share of the Net Pension Liability attributable to the District	\$ 343,932,194	\$ 402,653,972	\$ 498,667,015	\$ 426,305,207	\$ 410,079,926	\$ 384,550,304	\$ 417,734,539
District's Covered Employee Payroll	\$ 63,282,036	\$ 63,474,257	\$ 64,836,221	\$ 65,828,000	\$ 67,464,688	\$ 69,331,865	\$ 71,992,743
State's proportionate share of the Net Pension Liability attributable to the District as a % of the District's Covered Employee Payroll	543.49%	634.36%	769.12%	647.60%	607.84%	554.65%	580.25%
Plan Fiduciary Net Position as a % of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	26.95%

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

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

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 18,506,781	\$ 24,585,650	\$ 37,467,887	\$ 29,532,266	\$ 23,906,226	\$ 22,681,805	\$ 25,976,512
Contributions in relation to the Contractually Required Contribution	(4,792,326)	(5,075,259)	(6,863,222)	(9,492,666)	(12,323,706)	(13,914,481)	(18,516,988)
Contribution Deficiency/(Excess)	\$ 13,714,455	\$ 19,510,391	\$ 30,604,665	\$ 20,039,600	\$ 11,582,520	\$ 8,767,324	\$ 7,459,524
District's Covered Employee Payroll	\$ 63,474,257	\$ 64,836,221	\$ 65,828,000	\$ 67,464,688	\$ 69,331,865	\$ 71,992,743	\$ 73,500,456
Contributions as a percentage of Covered Employee Payroll	7.55%	7.83%	10.43%	14.07%	17.77%	19.33%	25.19%

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

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

	Fiscal Year Ending June 30,		
	2017	2018	2019
Service Cost	\$ 13,610,363	\$ 11,298,745	\$ 10,013,027
Interest Cost	9,494,168	11,013,479	10,419,666
Changes in Assumptions	(39,554,096)	(30,153,674)	3,574,534
Differences between Expected and Actual Experience	255,612	(22,311,688)	(39,892,390)
Member Contributions	(6,941,739)	242,839	218,150
Gross Benefit Payments		(7,026,260)	(7,359,284)
Net Change in Total OPEB Liability	(23,135,692)	(36,936,559)	(23,026,297)
Total OPEB Liability - Beginning	322,837,907	299,702,215	262,765,656
Total OPEB Liability - Ending	<u>\$ 299,702,215</u>	<u>\$ 262,765,656</u>	<u>\$ 239,739,359</u>
District's Covered Employee Payroll *	\$ 81,767,756	\$ 82,539,030	\$ 84,608,625
Total OPEB Liability as a Percentage of Covered Employee Payroll	367%	318%	283%

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

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 6.28% as of June 30, 2019 to 7.00% as of June 30, 2020.

In the July 1, 2018 actuarial valuation the mortality improvement was based on Scale MP-2019 while in the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.60% as of June 30, 2019 to 5.40% as of June 30, 2020. The municipal bond rate changed from 3.50% to 2.21%.

In the July 1, 2018 actuarial valuation the mortality improvement was based on Scale MP-2019 while in the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

REVENUES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Local Sources:					
Local Tax Levy	\$ 155,236,154		\$ 155,236,154	\$ 155,236,154	
Tuition from Individuals	325,000		325,000	136,600	\$ (188,400)
Tuition from Other LEA's	168,931		168,931	546,618	377,687
Tuition from Other Governmental Sources	57,650		57,650	31,661	(25,989)
Tuition from Other Sources	49,557		49,557		(49,557)
Tuition from Summer School	15,000		15,000		(15,000)
Rents and Royalties	288,000		288,000	124,950	(163,050)
Interest Earned on Capital Reserve Funds				8,123	8,123
Unrestricted Miscellaneous Revenues	523,567		523,567	400,040	(123,527)
Total - Local Sources	156,663,859		156,663,859	156,484,146	(179,713)
State Sources:					
Categorical Transportation Aid	1,449,581		1,449,581	1,449,581	
Special Education Categorical Aid	5,040,330	(625,200)	4,415,130	4,415,130	
Categorical Security Aid	154,816		154,816	154,816	
Nonpublic School Transportation Costs				104,980	104,980
Extraordinary Special Education Costs Aid	3,044,225		3,044,225	4,953,665	1,909,440
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				5,913,345	5,913,345
TPAF On-Behalf Pension Contributions (Non-Budgeted)				18,516,988	18,516,988
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				352,310	352,310
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				8,818	8,818
TPAF Social Security (Reimbursed - Non-Budgeted)				5,279,850	5,279,850
Total State Sources	9,688,952	(625,200)	9,063,752	41,149,483	32,085,731
Federal Sources:					
Medicaid Reimbursement (SEMI)	127,058		127,058	106,062	(20,996)
Families First Coronavirus Response Act/SEMI				7,278	7,278
Total Federal Sources	127,058		127,058	113,340	(13,718)
TOTAL REVENUES	166,479,869	(625,200)	165,854,669	197,746,969	31,892,300

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 556,787	\$ (465,026)	\$ 91,761	\$ 91,761	
Kindergarten - Salaries of Teachers	1,107,600	(32,254)	1,075,346	1,064,817	\$ 10,529
Grades 1-5 - Salaries of Teachers	14,463,563	14,793	14,478,356	14,478,356	
Grades 6-8 - Salaries of Teachers	9,956,759	1,242,025	11,198,784	11,198,784	
Grades 9-12 - Salaries of Teachers	16,499,847	919,100	17,418,947	17,418,947	
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000	(21,492)	23,508	23,508	
Purchased Professional - Educational Services	61,200	(4,617)	56,583	31,526	25,057
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	200	6,900	6,900	6,900	
Purchased Professional - Educational Services	1,038,143	(5,139)	1,033,004	840,058	192,946
Purchased Technical Services	590,939	(5,510)	585,429	192,987	392,442
Other Purchased Services (400-500 series)	2,618,533	44,657	2,663,190	1,953,335	709,855
General Supplies	926,879	5,807	932,686	775,855	156,831
Textbooks	19,850		19,850	1,743	18,107
Other Objects					
Total Regular Programs - Instruction	47,885,300	1,699,244	49,584,544	48,078,577	1,505,967
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,515,449	63,251	1,578,700	1,578,700	
Other Salaries for Instruction	1,518,118	(82,137)	1,435,981	1,435,981	
General Supplies	77,850	(20,000)	57,850	31,875	25,975
Total Learning and/or Language Disabilities	3,111,417	(38,886)	3,072,531	3,046,556	25,975

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	\$ 625,570	\$ 23,328	\$ 648,898	\$ 648,898	
Other Salaries for Instruction	605,798	270,694	876,492	876,492	
General Supplies	10,800		10,800	8,663	\$ 2,137
Total Multiple Disabilities	1,242,168	294,022	1,536,190	1,534,053	2,137
Resource Room/Resource Center:					
Salaries of Teachers	8,547,929	237,954	8,785,883	8,785,883	
Other Salaries for Instruction	578,414	(352,757)	225,657	225,657	
General Supplies	32,845	(7,422)	25,423	19,717	5,706
Total Resource Room/Resource Center	9,159,188	(122,225)	9,036,963	9,031,257	5,706
Autism:					
Salaries of Teachers	64,370	1,582	65,952	65,952	
Other Salaries for Instruction	121,871	224,233	346,104	346,104	
Total Autism	186,241	225,815	412,056	412,056	
Preschool Disabilities - Part-Time:					
Other Salaries for Instruction	33,164	(31,740)	1,424	1,424	
General Supplies	19,300	13,498	32,798	32,723	75
Total Preschool Disabilities - Part-Time	52,464	(18,242)	34,222	34,147	75
Preschool Disabilities - Full-Time:					
Salaries of Teachers	273,785	457,114	730,899	726,468	4,431
Other Salaries for Instruction	797,280	(419,432)	377,848	377,848	
Total Preschool Disabilities - Full-Time	1,071,065	37,682	1,108,747	1,104,316	4,431
Home Instruction:					
Other Salaries for Instruction	50,000	(1,033)	48,967	48,967	
Purchased Professional - Educational Services	31,710	(1,462)	30,248	14,184	16,064
Total Home Instruction	81,710	(2,495)	79,215	63,151	16,064
Total Special Education Instruction	14,904,253	375,671	15,279,924	15,225,536	54,388

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 2,109,867	\$ 33,659	\$ 2,143,526	\$ 2,068,547	\$ 74,979
General Supplies	43,600	(888)	42,712	25,785	16,927
Total Basic Skills/Remedial - Instruction	2,153,467	32,771	2,186,238	2,094,332	91,906
Bilingual Education - Instruction:					
Salaries of Teachers	897,460	10,500	907,960	907,960	
Other Salaries	5,000	(3,615)	1,385	1,385	
General Supplies	12,612		12,612	3,212	9,400
Textbooks	525	(525)			
Total Bilingual Education - Instruction	915,597	6,360	921,957	912,557	9,400
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	819,566	(101,404)	718,162	718,162	
Purchased Services (300-500 series)	77,350	2,504	79,854	67,387	12,467
Supplies and Materials	67,018	(7,610)	59,408	34,096	25,312
Other Objects	18,210	55,000	73,210	30,882	42,328
Total School-Sponsored Cocurricular Activities - Instruction	982,144	(51,510)	930,634	850,527	80,107
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	1,759,685	(85,101)	1,674,584	1,674,584	
Purchased Services (300-500 series)	877,498	(23,008)	854,490	607,297	247,193
Supplies and Materials	490,349	21,064	511,413	387,068	124,345
Other Objects	80,280	(13,000)	67,280	36,979	30,301
Total School-Sponsored Cocurricular Athletics - Instruction	3,207,812	(100,045)	3,107,767	2,705,928	401,839
Before/After School Programs - Instruction:					
Salaries of Reading Specialists	10,000	(10,000)			
Total Before/After School Programs - Instruction	10,000	(10,000)			

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Summer School - Instruction:					
Purchased Professional and Technical Services	\$ 275,000		\$ 275,000	\$ 166,226	\$ 108,774
Other Purchased Services (400-500 series)	7,000	(7,000)			
General Supplies	7,000	(7,000)			
Total Summer School - Instruction	289,000	(14,000)	275,000	166,226	108,774
Alternative Education Programs - Instruction:					
Salaries of Teachers	27,092	6,189	33,281	33,281	
Purchased Professional and Technical Services	125,000	(30,000)	95,000	36,026	58,974
Supplies and Materials	8,000	(8,000)			
Total Alternative Education Programs - Instruction	160,092	(31,811)	128,281	69,307	58,974
Alternative Education Programs - Support:					
Salaries	10,000		10,000	8,686	1,314
Total Alternative Education Programs - Support	10,000		10,000	8,686	1,314
Total Alternative Education Programs	170,092	(31,811)	138,281	77,993	60,288
Other Instructional Programs - Instruction:					
Supplies and Materials	15,000	(15,000)			
Total Other Instructional Programs - Instruction	15,000	(15,000)			
Community Services Programs/Operations:					
Salaries	66,000	(47,982)	18,018	18,018	
Total Community Services Programs/Operations	66,000	(47,982)	18,018	18,018	
Total Instruction	70,598,665	1,843,698	72,442,363	70,129,694	2,312,669
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	199,315		199,315	190,430	8,885
Tuition to County Vocational Schools - Regular	1,686,429		1,686,429	1,686,429	
Tuition to County Vocational Schools - Special	85,216	28,843	114,059	97,626	16,433
Tuition to County Special Services Schools/Reg. Day Schools	444,124	133,146	577,270	420,099	157,171

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Private Schools for the Disabled - Within the State	\$ 4,984,372	\$ (415,173)	\$ 4,569,199	\$ 4,145,047	\$ 424,152
Tuition to Private Schools for the Disabled and Other LEA's - Outside the State	135,000		135,000	128,710	6,290
Tuition - State Facilities	83,600	(83,600)			
Tuition - Other	92,254	56,773	149,027	149,027	
Total Undistributed Expenditures - Instruction	7,710,310	(280,011)	7,430,299	6,817,368	612,931
Attendance and Social Work Services:					
Salaries	20,600		20,600		20,600
Total Attendance and Social Work Services	20,600		20,600		20,600
Health Services:					
Salaries	1,746,685	(48,618)	1,698,067	1,697,290	777
Purchased Professional and Technical Services	82,800	9,845	92,645	59,908	32,737
Other Purchased Services (400-500 series)	2,000	(1,800)	200		200
Supplies and Materials	99,345	(4,044)	95,301	90,927	4,374
Other Objects		200	200	149	51
Total Health Services	1,930,830	(44,417)	1,886,413	1,848,274	38,139
Speech, OT, PT and Related Services:					
Salaries	2,823,144	74,995	2,898,139	2,898,139	
Purchased Professional - Educational Services	336,620	99,703	436,323	392,118	44,205
Supplies and Materials	82,890		82,890	67,196	15,694
Speech, OT, PT and Related Services	3,242,654	174,698	3,417,352	3,357,453	59,899
Students - Extraordinary Services:					
Salaries	1,175,083	193,536	1,368,619	1,368,619	
Purchased Professional - Educational Services	1,913,718		1,913,718	1,214,650	699,068
Supplies and Materials	10,000		10,000	5,733	4,267
Students - Extraordinary Services	3,098,801	193,536	3,292,337	2,589,002	703,335

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Guidance:					
Salaries of Other Professional Staff	\$ 2,850,105	\$ (50,902)	\$ 2,799,203	\$ 2,798,702	\$ 501
Salaries of Secretarial and Clerical Assistants	360,985	(5,921)	355,064	354,686	378
Other Salaries	69,906	(38,672)	31,234	27,828	3,406
Other Purchased Professional and Technical Services	81,200	(5,175)	76,025	75,025	1,000
Unused Vacation pay		1,715	1,715	1,715	
Supplies and Materials	89,158	(10,057)	79,101	40,589	38,512
Other Objects	11,028	13,240	24,268	19,764	4,504
Total Guidance	3,462,382	(95,772)	3,366,610	3,318,309	48,301
Child Study Team:					
Salaries of Other Professional Staff	3,351,720	(282,277)	3,069,443	3,069,443	
Other Salaries	157,000	(90,050)	66,950	66,950	
Other Purchased Professional and Technical Services	202,725	40,000	242,725	222,219	20,506
Other Purchased Services (400-500 series)	17,656		17,656	17,656	
Supplies and Materials	22,100		22,100	15,823	6,277
Other Objects	1,061		1,061	948	113
Total Child Study Team	3,752,262	(332,327)	3,419,935	3,393,039	26,896
Improvement of Instructional Services:					
Salaries of Other Professional Staff	1,518,036	79,279	1,597,315	1,596,102	1,213
Salaries of Secretarial and Clerical Assistants	184,167	(53,796)	130,371	130,371	
Other Salaries	2,500	(1,573)	927		927
Unused Vacation Pay		21,766	21,766	21,766	
Supplies and Materials	2,935		2,935	2,932	3
Total Improvement of Instructional Services	1,707,638	45,676	1,753,314	1,751,171	2,143

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Educational Media Services/School Library:					
Salaries	\$ 1,302,786	\$ (91,097)	\$ 1,211,689	\$ 1,210,395	\$ 1,294
Purchased Professional and Technical Services	22,000		22,000	21,166	834
Supplies and Materials	193,056	(3,196)	189,860	147,312	42,548
Total Educational Media Services/School Library	<u>1,517,842</u>	<u>(94,293)</u>	<u>1,423,549</u>	<u>1,378,873</u>	<u>44,676</u>
Instructional Staff Training Services:					
Salaries of Other Professional Staff	111,710	10,559	122,269	122,269	
Other Salaries	104,033	(54,033)	50,000		50,000
Other Purchased Professional and Technical Services	10,000	(10,000)			
Other Purchased Services (400-500 series)	52,829		52,829	13,697	39,132
Other Objects	1,545		1,545		1,545
Total Instructional Staff Training Services	<u>280,117</u>	<u>(53,474)</u>	<u>226,643</u>	<u>135,966</u>	<u>90,677</u>
Support Services - General Administration:					
Salaries	614,110	(14,807)	599,303	599,303	
Legal Services	564,286		564,286	372,352	191,934
Audit Fees	81,000	4,225	85,225	85,225	
Other Purchased Professional Services	6,000	7,600	13,600	12,525	1,075
Communications/Telephone	74,720	3,288	78,008	51,212	26,796
BOE Other Purchased Services	10,712	11,650	22,362	22,362	
Miscellaneous Purchased Services (400-500 series)	244,500	13,171	257,671	244,984	12,687
General Supplies	10,600	9,870	20,470	15,313	5,157
Miscellaneous Expenditures	8,160		8,160	5,914	2,246
BOE Membership Dues and Fees	27,810		27,810	26,663	1,147
Total Support Services - General Administration	<u>1,641,898</u>	<u>34,997</u>	<u>1,676,895</u>	<u>1,435,853</u>	<u>241,042</u>

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 3,398,753	\$ (55,797)	\$ 3,342,956	\$ 3,342,501	\$ 455
Salaries of Secretarial and Clerical Assistants	1,270,539	15,290	1,285,829	1,284,711	1,118
Other Salaries	621,563	(39,310)	582,253	582,253	
Unused Vacation Pay		65,101	65,101	65,101	
Other Purchased Services (400-500 series)	30,750	(877)	29,873	7,123	22,750
Supplies and Materials	84,101	11,885	95,986	63,085	32,901
Other Objects	84,013	2,657	86,670	78,477	8,193
Total Support Services - School Administration	<u>5,489,719</u>	<u>(1,051)</u>	<u>5,488,668</u>	<u>5,423,251</u>	<u>65,417</u>
Central Services:					
Salaries	1,161,835	34,205	1,196,040	1,196,040	
Unused Vacation Pay		20,549	20,549	20,549	
Purchased Professional Services	59,754	(678)	59,076	47,482	11,594
Miscellaneous Purchased Services (400-500 series)	178,133	(8,670)	169,463	58,086	111,377
Supplies and Materials	28,700	(845)	27,855	15,978	11,877
Miscellaneous Expenditures	20,800	360	21,160	12,046	9,114
Total Central Services	<u>1,449,222</u>	<u>44,921</u>	<u>1,494,143</u>	<u>1,350,181</u>	<u>143,962</u>
Administration Information Technology:					
Salaries	1,086,481	5,406	1,091,887	1,091,887	
Unused Vacation Payments		2,115	2,115	2,115	
Purchased Technical Services	257,318		257,318	237,129	20,189
Other Purchased Services (400-500 series)	315,137	135,858	450,995	421,663	29,332
Supplies and Materials	247,826	4,248	252,074	228,684	23,390
Other Objects	3,010		3,010	695	2,315
Total Administration Information Technology	<u>1,909,772</u>	<u>147,627</u>	<u>2,057,399</u>	<u>1,982,173</u>	<u>75,226</u>
Required Maintenance for School Facilities:					
Salaries	914,260	(67,719)	846,541	846,541	
Unused Vacation Payments		5,896	5,896	5,896	
Cleaning, Repair and Maintenance Services	1,663,141	(37,523)	1,625,618	1,380,256	245,362
General Supplies	280,000		280,000	242,287	37,713
Total Required Maintenance for School Facilities	<u>2,857,401</u>	<u>(99,346)</u>	<u>2,758,055</u>	<u>2,474,980</u>	<u>283,075</u>

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Custodial Services:					
Salaries	\$ 5,740,552	\$ (17,318)	\$ 5,723,234	\$ 5,674,002	\$ 49,232
Salaries of Non-Instructional Aides	533,324	(64,863)	468,461	468,461	
Unused Vacation Payments		69,605	69,605	69,605	
Purchased Professional and Technical Services	21,646		21,646		21,646
Cleaning, Repair and Maintenance Services	736,800	3,000	739,800	510,126	229,674
Lease Purchase Payments - ESIP	1,450,738	(100,000)	1,350,738	1,303,196	47,542
Other Purchased Property Services	95,000		95,000	48,052	46,948
Insurance	803,688	(6,000)	797,688	734,742	62,946
Miscellaneous Purchased Services	6,000		6,000	4,138	1,862
General Supplies	349,928	171,930	521,858	446,413	75,445
Energy (Natural Gas)	700,000	(126,078)	573,922	568,166	5,756
Energy (Electricity)	1,100,000	152,573	1,252,573	1,252,424	149
Other Objects		135	135		
Total Custodial Services	11,537,676	82,984	11,620,660	11,079,460	541,200
Care and Upkeep of Grounds:					
Salaries	323,965	(76,083)	247,882	247,882	
Unused Vacation Pay		7,600	7,600	7,600	
Cleaning, Repair and Maintenance Services	70,000	(29,342)	40,658	21,133	19,525
General Supplies	40,000	29,342	69,342	60,595	8,747
Total Care and Upkeep of Grounds	433,965	(68,483)	365,482	337,210	28,272
Security:					
Purchased Professional and Technical Services	344,129		344,129	327,898	16,231
Total Security	344,129		344,129	327,898	16,231
Student Transportation Services:					
Salaries of Non-Instructional Aides		28,659	28,659	28,659	
Salaries for Pupil Transportation:					
Between Home and School - Regular	1,762,157	(64,836)	1,697,321	1,697,321	
Between Home and School - Special	1,970,626	(156,523)	1,814,103	1,813,839	264
Between Home and School - Nonpublic Schools	436,118	(252,778)	183,340	155,696	27,644

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Student Transportation Services:					
Unused Vacation Pay	\$ 563,320	\$ 12,671	\$ 579,068	\$ 529,837	\$ 49,231
Lease Purchase Payments - School Buses					
Contracted Services:					
Aid in Lieu Payments - Nonpublic Schools	420,000		420,000	238,881	181,119
Aid in Lieu Payments - Charter Schools	8,000		8,000		8,000
Between Home and School - Vendors	40,000	(40,000)			
Other Than Between Home and School - Vendors	23,100		23,100		23,100
Special Education Students - Vendors	827,098	84,075	911,173	797,098	114,075
Miscellaneous Purchased Services	344,024	(20,002)	324,022	251,435	72,587
General Supplies	716,330	(32,692)	683,638	383,722	299,916
Other Objects	2,200		2,200	1,680	520
Total Student Transportation Services	7,112,973	(425,678)	6,687,295	5,910,839	776,456
Unallocated Benefits:					
Social Security Contributions	1,218,500	892,424	2,110,924	2,043,280	67,644
Other Retirement Contributions - PERS	2,496,782	190,334	2,687,116	2,687,116	
Other Retirement Contributions - Regular	92,000	26,037	118,037	111,404	6,633
Unemployment Compensation		500,000	500,000	442,475	57,525
Workmen's Compensation	785,637		785,637	719,106	66,531
Health Benefits	32,934,597	(2,880,491)	30,054,106	28,523,485	1,530,621
Tuition Reimbursement	174,053		174,053	37,132	136,921
Other Employee Benefits	336,503	127,499	464,002	450,520	13,482
Unused Sick Payment to Terminated/Retired Staff	200,000	(151,088)	48,912	22,196	26,716
Total Unallocated Benefits	38,238,072	(1,295,285)	36,942,787	35,036,714	1,906,073
On-Behalf TPAF Contributions (Nonbudgeted):					
TPAF Post Retirement Contributions				5,913,345	(5,913,345)
TPAF Pension Contributions				18,516,988	(18,516,988)
TPAF Non-Contributory Insurance				352,310	(352,310)
TPAF Long-Term Disability Insurance				8,818	(8,818)
Reimbursed TPAF Social Security Contributions				5,279,850	(5,279,850)
Total On-Behalf and Reimbursed Contributions				30,071,311	(30,071,311)

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Total Personal Services - Employee Benefits	\$ 38,238,072	\$ (1,295,285)	\$ 36,942,787	\$ 65,108,025	\$ (28,165,238)
Total Undistributed Expenses	97,738,263	(2,065,698)	95,672,565	120,019,325	(24,346,760)
TOTAL GENERAL CURRENT EXPENSE	168,336,928	(222,000)	168,114,928	190,149,019	(22,034,091)
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		4,978	4,978	4,551	427
Grades 9-12		49,858	49,858	20,075	29,783
School Sponsored and Other Instructional Programs		8,319	8,319	8,319	
Undistributed Expenditures:					
Required Maintenance for School Facilities	3,559		3,559	2,692	3,559
Student Transportation - Non Instructional Equipment		5,342	5,342	2,692	2,650
Total Equipment	3,559	68,497	72,056	35,637	36,419
Facilities Acquisition and Construction Services:					
Construction Services	1,000,000	(622,112)	377,888	271,678	106,210
Other Objects (Debt Service Assessment)	154,055		154,055	154,055	
Total Facilities Acquisition and Construction Services	1,154,055	(622,112)	531,943	425,733	106,210
TOTAL CAPITAL OUTLAY	1,157,614	(553,615)	603,999	461,370	142,629
Transfer of Funds to Charter Schools		55,625	55,625	55,625	
TOTAL EXPENDITURES	169,494,542	(719,990)	168,774,552	190,666,014	(21,891,462)

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ (3,014,673)	\$ 94,790	\$ (2,919,883)	\$ 7,080,955	\$ 10,000,838
Other Financing Sources/(Uses):					
Transfer In - Capital Projects Fund - Unexpended Balances				153,432	153,432
Transfers Out:					
Board Contribution:					
Food Service Enterprise Fund	(50,000)	(94,790)	(144,790)	(92,073)	52,717
Total Other Financing Sources/(Uses)	(50,000)	(94,790)	(144,790)	61,359	206,149
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(3,064,673)		(3,064,673)	7,142,314	10,206,987
Fund Balance, July 1 (Restated)	15,190,246		15,190,246	15,190,246	
Fund Balance, June 30	<u>\$ 12,125,573</u>	<u>\$ -0-</u>	<u>\$ 12,125,573</u>	<u>\$ 22,332,560</u>	<u>\$ 10,206,987</u>
Recapitulation:					
Restricted:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 1,750,000	
Capital Reserve				8,681,710	
Maintenance Reserve				3,800,000	
Unemployment Compensation				389,319	
Assigned:					
Encumbrances				710,699	
Unassigned				<u>7,000,832</u>	
				<u>22,332,560</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				<u>(546,509)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 21,786,051</u>	

WAYNE TOWNSHIP PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 567,646	\$ 148,720	\$ 716,366	\$ 673,021	\$ (43,345)
Federal Sources	2,317,482	7,861,122	10,178,604	4,087,316	(6,091,288)
Local Sources	72,967	540,905	613,872	305,043	(308,829)
Total Revenues	2,958,095	8,550,747	11,508,842	5,065,380	(6,443,462)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	252,800	1,384,426	1,637,226	402,964	1,234,262
Purchased Professional/Educational Services	195,943	80,772	276,715	155,783	120,932
Other Purchased Services	1,460,983	730,339	2,191,322	80,303	2,111,019
General Supplies	279,911	715,115	995,026	2,178,255	(1,183,229)
Textbooks	58,401	20,039	78,440	627,872	(549,432)
Other Objects	400	74,587	74,987	78,440	(3,453)
Total Instruction	2,248,438	3,005,278	5,253,716	3,523,617	1,730,099
Support Services					
Personal Services - Salaries	38,640	237,472	276,112	199,309	76,803
Personal Services - Employee Benefits	22,294	(22,294)			
Purchased Professional/Educational Services	198,135	(23,238)	174,897	258,118	(83,221)
Purchased Technical Services	110,812	26,174	136,986		136,986
Other Purchased Services	103,807	167,770	271,577	185,845	85,732
Supplies and Materials	202,711	574,634	777,345	587,363	189,982
Other Objects	3,200	48,300	51,500	931	50,569
Student Activities		279,087	279,087	279,087	
Scholarships Awarded		18,500	18,500	18,500	
Total Support Services	679,599	1,306,405	1,986,004	1,529,153	456,851
Facilities Acquisition:					
Instructional Equipment	30,058	93,211	123,269	57,668	65,601
Non-Instructional Equipment		4,145,853	4,145,853		4,145,853
Total Facilities Acquisition	30,058	4,239,064	4,269,122	57,668	4,211,454
Total Expenditures	2,958,095	8,550,747	11,508,842	5,110,438	6,398,404
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ (45,058)	\$ (45,058)

WAYNE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 197,746,969	\$ 5,065,380
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances		(54,390)
Prior Year Encumbrances		111,681
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	470,957	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(546,509)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 197,671,417	\$ 5,122,671
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 190,666,014	\$ 5,110,438
Differences - Budgetary to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for Financial Reporting Purposes		
Current Year Encumbrances		(54,390)
Prior Year Encumbrances		111,681
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 190,666,014	\$ 5,167,729

WAYNE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Budgets/Budgetary Control:

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

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

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

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

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

WAYNE TOWNSHIP PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Elementary and Secondary Education Act							
	Title I FY21	Title I FY20	Title I Reallocated FY20	Title IIA FY21	Title IIA FY20	Title III FY21	Title III FY20	Title III Immigrant FY21
REVENUE:								
State Sources	\$ 492,614	\$ 76,070	\$ 78	\$ 174,344	\$ 10,982	\$ 37,807	\$ 1,320	\$ 4,700
Federal Sources								
Local Sources								
Total Revenue	\$ 492,614	\$ 76,070	\$ 78	\$ 174,344	\$ 10,982	\$ 37,807	\$ 1,320	\$ 4,700
EXPENDITURES:								
Instruction:								
Personal Services - Salaries	\$ 257,150	\$ 54,834			\$ 10,240	\$ 1,760		
Purchased Professional/Educational Services								
Purchased Technical Services								
Other Purchased Services						14,749		
General Supplies	151,272	6,937						
Textbooks								
Total Instruction	408,422	61,771				24,989		1,760
Support Services:								
Personal Services - Salaries				\$ 91,342	\$ 10,982	2,274	\$ 1,320	
Personal Services - Employee Benefits								
Purchased Professional/Educational Services	40,717			58,900		6,410		2,940
Purchased Technical Services								
Other Purchased Services	16,059			8,150		4,000		
Supplies and Materials	2,272		\$ 78	11,052		134		
Other Objects	931							
Student Activities								
Scholarships Awarded								
Total Support Services	59,979		78	169,444	10,982	12,818	1,320	2,940
Facilities Acquisition:								
Instructional Equipment	24,213	14,299		4,900				
Total Facilities Acquisition	24,213	14,299		4,900				
Total Expenditures	\$ 492,614	\$ 76,070	\$ 78	\$ 174,344	\$ 10,982	\$ 37,807	\$ 1,320	\$ 4,700

WAYNE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Elementary and Secondary Education Act		I.D.E.A. - Part B, Basic		Carl Perkins Vocational Education	Nonpublic Digital Divide	Coronavirus Relief Fund
	Title III Immigrant FY20	Title IV FY21	Title IV FY20	Regular Preschool			
REVENUE:							
State Sources	\$ 1,815	\$ 43,898	\$ 8,250	\$ 2,065,564	\$ 36,065	\$ 55,208	\$ 273,467
Federal Sources							
Local Sources							
Total Revenue	\$ 1,815	\$ 43,898	\$ 8,250	\$ 2,065,564	\$ 36,065	\$ 55,208	\$ 273,467
EXPENDITURES:							
Instruction:							
Personal Services - Salaries	\$ 1,815		\$ 8,250		\$ 12,280		
Purchased Professional/Educational Services					7,888		
Purchased Technical Services							
Other Purchased Services				\$ 2,065,564	1,491	\$ 55,208	\$ 273,467
General Supplies	\$ 32,321						
Textbooks							
Total Instruction	1,815	32,321	8,250	2,065,564	21,659	55,208	273,467
Support Services:							
Personal Services - Salaries		2,750					
Personal Services - Employee Benefits							
Purchased Professional/Educational Services							
Purchased Technical Services					150		
Other Purchased Services		6,451					
Supplies and Materials		2,376					
Other Objects							
Student Activities							
Scholarships Awarded							
Total Support Services		11,577			150		
Facilities Acquisition:							
Instructional Equipment					14,256		
Total Facilities Acquisition					14,256		
Total Expenditures	\$ 1,815	\$ 43,898	\$ 8,250	\$ 2,065,564	\$ 36,065	\$ 55,208	\$ 273,467

WAYNE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	CARES Emergency Relief	CRRSA ESSER II Relief	Textbooks	Nonpublic Nursing	Security	Nonpublic Auxiliary Services (Chapter 192)	
						Compensatory Education	English as a Second Language
REVENUE:							
State Sources	\$ 156,176	\$ 576,084	\$ 78,440	\$ 134,611	\$ 231,772	\$ 72,641	\$ 3,776
Federal Sources							
Local Sources							
Total Revenue	\$ 156,176	\$ 576,084	\$ 78,440	\$ 134,611	\$ 231,772	\$ 72,641	\$ 3,776
EXPENDITURES:							
Instruction:							
Personal Services - Salaries		\$ 56,635					
Purchased Professional/Educational Services						\$ 72,641	\$ 3,776
Purchased Technical Services		16,443					
Other Purchased Services		86,087					
General Supplies			\$ 78,440				
Textbooks							
Total Instruction		159,165	78,440			72,641	3,776
Support Services:							
Personal Services - Salaries		70,567					
Personal Services - Employee Benefits							
Purchased Professional/Educational Services		14,540		\$ 134,611			
Purchased Technical Services							
Other Purchased Services		151,035					
Supplies and Materials	\$ 156,176	180,777			\$ 231,772		
Other Objects							
Student Activities							
Scholarships Awarded							
Total Support Services	156,176	416,919		134,611	231,772		
Facilities Acquisition:							
Instructional Equipment							
Total Facilities Acquisition							
Total Expenditures	\$ 156,176	\$ 576,084	\$ 78,440	\$ 134,611	\$ 231,772	\$ 72,641	\$ 3,776

WAYNE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Nonpublic Handicapped Services (Chapter 193)	Local Programs	Student Activities	Scholarships	Totals
	Supplemental Instruction	Examination & Classification	Corrective Speech		June 30, 2021
REVENUE:					
State Sources	\$ 71,478	\$ 66,723	\$ 13,580		\$ 673,021
Federal Sources					4,087,316
Local Sources		\$ 52,514	\$ 234,168	\$ 18,361	305,043
Total Revenue	\$ 71,478	\$ 66,723	\$ 13,580	\$ 234,168	\$ 5,065,380
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	\$ 71,478				\$ 402,964
Purchased Professional/Educational Services			\$ 13,580		155,783
Purchased Technical Services		\$ 66,723			80,303
Other Purchased Services			\$ 23,374		2,178,255
General Supplies			6,340		627,872
Textbooks					78,440
Total Instruction	71,478	66,723	13,580	29,714	3,523,617
Support Services:					
Personal Services - Salaries		20,074			199,309
Personal Services - Employee Benefits					258,118
Purchased Professional/Educational Services					185,845
Purchased Technical Services		2,726			587,363
Other Purchased Services					931
Supplies and Materials					279,087
Other Objects			\$ 279,087		18,500
Student Activities					18,500
Scholarships Awarded				\$ 18,500	18,500
Total Support Services		22,800	279,087	18,500	1,529,153
Facilities Acquisition:					
Instructional Equipment					57,668
Total Facilities Acquisition					57,668
Total Expenditures	\$ 71,478	\$ 66,723	\$ 13,580	\$ 279,087	\$ 5,110,438

CAPITAL PROJECTS FUND

WAYNE TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES
WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenue and Other Financing Sources:	
State Sources - School Security Grant	\$ 438,895
Capital Lease Proceeds	3,614,635
Interest Revenue	1,289
	<hr/>
Total Revenue and Other Financing Sources	4,054,819
	<hr/>
Expenditures and Other Financing Uses:	
Construction Services	735,478
Equipment Purchases	452,642
Other Purchases	1,001,742
Transfer to Capital Reserve Account - Unexpended Project Balances	38,573
Transfer to General Fund - Unexpended Project Balances	114,859
	<hr/>
Total Expenditures and Other Financing Uses	2,343,294
	<hr/>
Excess of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	1,711,525
	<hr/>
Fund Balance - Beginning	1,134,453
	<hr/>
Fund Balance - Ending	\$ 2,845,978
	<hr/> <hr/>
<u>Recapitulation of Fund Balance at June 30, 2021</u>	
Committed	\$ 1,194,976
Committed - Year End Encumbrances	1,651,002
	<hr/>
Fund Balance per Governmental Funds - Budgetary Basis	2,845,978
	<hr/>
<u>Reconciliation to Governmental Funds Statements (GAAP):</u>	
School Security Grant Receivable not Recognized on the GAAP Basis	(438,895)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 2,407,083
	<hr/> <hr/>

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT-WIDE ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Capital Lease Proceeds	\$ 11,065,064		\$ 11,065,064	\$ 11,065,064
Total Revenue and Other Financing Sources	11,065,064		11,065,064	11,065,064
Expenditures:				
Purchased Professional and Technical Services	784,249		784,249	716,482
Construction Services	10,062,773		10,062,773	10,235,462
Other	112,370		112,370	113,120
Transfer to General Fund		\$ 105,672	105,672	
Total Expenditures	10,959,392	105,672	11,065,064	11,065,064
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 105,672	\$ (105,672)	\$ - 0 -	\$ - 0 -

Additional Project Information:

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

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WAYNE HILLS HIGH SCHOOL - PARTIAL ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Additional Project Information:

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

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WAYNE HILLS HIGH SCHOOL - NEW ADA RESTROOM PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Additional Project Information:

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

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
GEORGE WASHINGTON MIDDLE SCHOOL - EXTERIOR WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Additional Project Information:

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

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
LAFAYETTE ELEMENTARY SCHOOL - PARTIAL ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Additional Project Information:

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

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
EARLY CHILDHOOD CENTER RENOVATION PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,354,559		\$ 1,354,559	\$ 1,354,559
Total Revenue and Other Financing Sources	1,354,559		1,354,559	1,354,559
Expenditures:				
Construction Services	1,298,014	\$ 43,737	1,341,751	1,354,559
Total Expenditures	1,298,014	43,737	1,341,751	1,354,559
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 56,545	\$ (43,737)	\$ 12,808	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,300,000
Revised Authorized Cost	\$ 1,354,559
Percentage Completion	100.00%
Original Target Completion Date	June 2021

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
NEXT GENERATION SCIENCE PROJECT - HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,000,000		\$ 1,000,000	\$ 1,053,000
Total Revenue and Other Financing Sources	1,000,000		1,000,000	1,053,000
Expenditures:				
Construction Services	75,524	\$ 9,747	85,271	1,053,000
Total Expenditures	75,524	9,747	85,271	1,053,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ 924,476	\$ (9,747)	\$ 914,729	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,053,000
Percentage Completion	8.10%
Original Target Completion Date	June 2021
Revised Target Completion Date	June 2023

WAYNE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
ACQUISITION OF EQUIPMENT AND BUSES - PASSAIC COUNTY IMPROVEMENT AUTHORITY
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Capital Lease Proceeds		\$ 1,515,800	\$ 1,515,800	\$ 1,515,800
Interest		417	417	417
Total Revenue and Other Financing Sources		1,516,217	1,516,217	1,516,217
Expenditures:				
Other Purchases		1,001,742	1,001,742	1,010,417
Equipment and Bus Purchases		452,642	452,642	505,800
Total Expenditures		1,454,384	1,454,384	1,516,217
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ - 0 -	\$ 61,833	\$ 61,833	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,515,800
Revised Authorized Cost	
Percentage Completion	95.92%
Original Target Completion Date	December 2021

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
DISTRICT-WIDE ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Capital Lease Proceeds		\$ 2,098,835	\$ 2,098,835	\$ 2,098,835
Interest		872	872	
Total Revenue and Other Financing Sources		2,099,707	2,099,707	2,098,835
Expenditures:				
Construction Services		681,994	681,994	2,098,835
Total Expenditures		681,994	681,994	2,098,835
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ - 0 -	\$ 1,417,713	\$ 1,417,713	\$ - 0 -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,098,835
Percentage Completion	32.49%
Original Target Completion Date	June 2022

WAYNE TOWNSHIP PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
SCHOOL SECURITY UPGRADES - MAIN ENTRANCE VESTIBULES
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
School Security Grant		\$ 438,895	\$ 438,895	\$ 438,895
Total Revenue and Other Financing Sources		438,895	438,895	438,895
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	\$ - 0 -	\$ 438,895	\$ 438,895	\$ 438,895

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	\$ 438,895
Percentage Completion	0.00%
Original Target Completion Date	June 2022

PROPRIETARY FUNDS

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021

	Enterprise Funds					
	Major Funds			Non-Major Funds		
	Food Service	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Total Non-Major Funds
<u>ASSETS:</u>						
Current Assets:						
Cash and Cash Equivalents		\$ 134,486	\$ 134,486	\$ 15,103	\$ 36,631	\$ 186,220
Accounts Receivable:						
Other Governments:						
Federal	\$ 135,014		135,014			135,014
State	9,524		9,524			9,524
Other	174,407	1,808	176,215			176,215
Inventories	22,445		22,445			22,445
Total Current Assets	341,390	136,294	477,684	15,103	36,631	529,418
Non-Current Assets:						
Capital Assets	1,257,451		1,257,451			1,257,451
Less: Accumulated Depreciation	(995,518)		(995,518)			(995,518)
Total Non-Current Assets	261,933		261,933			261,933
Total Assets	603,323	136,294	739,617	15,103	36,631	791,351
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>						
Deferred Outflows Related to Pensions		82,541	82,541			82,541
District Contribution Subsequent to the Measurement Date - Pensions		44,356	44,356			44,356
Total Deferred Outflows of Resources		126,897	126,897			126,897

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021

	Enterprise Funds						
	Major Funds			Non-Major Funds			
	Food Service	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Non-Major Funds	Total
Current Liabilities:							
Accounts Payable	\$ 161,321	\$ 48,087	\$ 209,408	\$ 111	\$ 1	\$ 112	\$ 209,520
Interfund Payable - General Fund	37,488		37,488				37,488
Unearned Revenue:							
Donated Commodities	9,698		9,698				9,698
Prepaid Sales	132,883		132,883				132,883
Prepaid Program Fees				8,300		8,300	8,300
Long-term Liabilities:							
Net Pension Liability		628,887	628,887				628,887
Compensated Absences Payable		7,989	7,989				7,989
Total Liabilities	341,390	684,963	1,026,353	8,411	1	8,412	1,034,765
<u>DEFERRED INFLOWS OF RESOURCES:</u>							
Deferred Inflows Related to Pensions		301,141	301,141				301,141
Total Deferred Inflows of Resources		301,141	301,141				301,141
<u>NET POSITION:</u>							
Investment in Capital Assets	261,933		261,933				261,933
Unrestricted/(Deficit)		(722,913)	(722,913)	6,692	36,630	43,322	(679,591)
Total Net Position/(Deficit)	\$ 261,933	\$ (722,913)	\$ (460,980)	\$ 6,692	\$ 36,630	\$ 43,322	\$ (417,658)

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds						
	Major Funds			Non-Major Funds			
	Food Service	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Non-Major Funds	Total
Operating Revenue:							
Charges for Services:							
Daily Sales - Reimbursable Programs	\$ 24,180		\$ 24,180				\$ 24,180
Program Fees		\$ 254,019	\$ 254,019	\$ 3,625	\$ 275		\$ 3,900
Total Operating Revenue	24,180	254,019	278,199	3,625	275	3,900	282,099
Operating Expenses:							
Cost of Sales - Reimbursable Programs	443,218		443,218				443,218
Salaries	374,268	418,527	792,795	3,000	275	3,275	796,070
Employee Benefits	254,379	118,225	372,604				372,604
Other Purchased Services		3,746	3,746				3,746
Management Fee	279,500		279,500				279,500
Supplies, Insurance and Other Costs	103,266	25,385	128,651	263	5,151	5,414	134,065
Depreciation Expense	41,164		41,164				41,164
Total Operating Expenses	1,495,795	565,883	2,061,678	3,263	5,426	8,689	2,070,367
Operating Income (Loss)	(1,471,615)	(311,864)	(1,783,479)	362	(5,151)	(4,789)	(1,788,268)

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds						Total
	Major Funds			Non-Major Funds			
	Food Service	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Non-Major Funds	
Non-Operating Revenue:							
Federal Sources:							
Covid19 - Seamless Summer Option - Lunch	\$ 665,994		\$ 665,994			\$ 665,994	
Covid19 - Seamless Summer Option - Breakfast	374,445		374,445			374,445	
Food Distribution Program	118,054		118,054			118,054	
State Sources:							
Covid19 - Seamless Summer Option - Lunch	38,737		38,737			38,737	
Total Non-Operating Revenue	1,197,230		1,197,230			1,197,230	
Change in Net Position Before Transfers and Other Items	(274,385)	\$ (311,864)	(586,249)	\$ 362	\$ (5,151)	\$ (4,789)	
Transfers In - General Fund	92,073		92,073			92,073	
Other Item - Loss on Disposal of Equipment	(6,335)		(6,335)			(6,335)	
Other Item - Food Service Management Contractor Contribution	150,000		150,000			150,000	
Change in Net Position After Transfers and Other Items	(38,647)	(311,864)	(350,511)	362	(5,151)	(4,789)	
Net Position/(Deficit) - Beginning of Year	300,580	(411,049)	(110,469)	6,330	41,781	48,111	
Net Position/(Deficit) - End of Year	\$ 261,933	\$ (722,913)	\$ (460,980)	\$ 6,692	\$ 36,630	\$ 43,322	

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds						
	Major Funds		Non-Major Funds				
	Food Service Program	Extended Day Program	Total Major Funds	Community Education Program	Wrap Around Program	Total Non-Major Funds	Total
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 228,793	\$ 163,711	\$ 392,504	\$ 8,575	\$ (67,100)	\$ (58,525)	\$ 333,979
Payments to Employees		(450,269)	(450,269)	(3,000)	(275)	(3,275)	(453,544)
Payments to Food Service Vendor	(1,141,830)		(1,141,830)				(1,141,830)
Payments to Suppliers	(103,266)	(26,553)	(129,819)	(152)	(5,393)	(5,545)	(135,364)
Net Cash Used for Operating Activities	(1,016,303)	(313,111)	(1,329,414)	5,423	(72,768)	(67,345)	(1,396,759)
Cash Flows from Capital Financing Activities:							
Acquisition of Capital Assets	(8,852)		(8,852)				(8,852)
Net Cash Used for Capital Financing Activities	(8,852)		(8,852)				(8,852)
Cash Flows from Noncapital Financing Activities:							
Federal Sources	954,451		954,451				954,451
State Sources	35,501		35,501				35,501
Payments from General Fund	35,203		35,203				35,203
Net Cash Provided by Noncapital Financing Activities	1,025,155		1,025,155				1,025,155
Net Increase (Decrease) in Cash and Cash Equivalents		(313,111)	(313,111)	5,423	(72,768)	(67,345)	(380,456)
Cash and Cash Equivalents, July 1		447,597	447,597	9,680	109,399	119,079	566,676
Cash and Cash Equivalents, June 30	\$ - 0 -	\$ 134,486	\$ 134,486	\$ 15,103	\$ 36,631	\$ 51,734	\$ 186,220

WAYNE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Enterprise Funds							Total
	Major Funds			Non-Major Funds				
	Food Service Program	Extended Day Program	Total Major Funds	Summer Community Education Program	Wrap Around Program	Non-Major Funds	Total	
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:								
Operating Income (Loss)	\$ (1,471,615)	\$ (311,864)	\$ (1,783,479)	\$ 362	\$ (5,151)	\$ (4,789)	\$ (1,788,268)	
Adjustment to Reconcile Operating Income (Loss) to Net Cash Used for Operating Activities:								
Depreciation	41,164		41,164				41,164	
Federal Food Distribution Program	118,054		118,054				118,054	
Changes in Assets and Liabilities:								
(Increase)/Decrease in Accounts Receivable	122,914	(1,808)	121,106				121,106	
Decrease in Inventory	19,075		19,075				19,075	
Increase/(Decrease) in Accounts Payable	72,406	2,578	74,984		(242)	(131)	74,853	
Increase in Compensated Absences Payable		1,196	1,196				1,196	
Increase/(Decrease) in Unearned Revenue	81,699	(88,500)	(6,801)	4,950	(67,375)	(62,425)	(69,226)	
(Decrease) in Net Pension Liability		(844)	(844)				(844)	
Decrease in Deferred Outflows Related to Pensions		37,106	37,106				37,106	
Increase in Deferred Inflows Related to Pensions		49,025	49,025				49,025	
Net Cash Used for Operating Activities	\$ (1,016,303)	\$ (313,111)	\$ (1,329,414)	\$ 5,423	\$ (72,768)	\$ (67,345)	\$ (1,396,759)	

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$85,231 and \$118,054 respectively, for the fiscal year ended June 30, 2021.

**FIDUCIARY ACTIVITIES
(NOT APPLICABLE)**

LONG-TERM DEBT

WAYNE TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding			Retired/ Matured	Balance June 30, 2021
			Date	June 30, 2021 Amount	Interest Rate		
School Refunding Bonds	11/01/12	\$ 25,440,000	07/15/21	\$ 2,610,000	5.000%		
			07/15/22	2,620,000	5.000%		
			07/15/23	2,615,000	4.500%	\$ 2,615,000	\$ 7,845,000
						\$ 10,460,000	\$ 2,615,000
						\$ 10,460,000	\$ 7,845,000

WAYNE TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

Item	Interest Rate	Original Issue	Balance July 1, 2020	Issued	Retired/ Matured	Balance June 30, 2021
Equipment and Buses	1.82%	\$ 1,700,000	\$ 177,020		\$ 177,020	
Equipment and Buses	1.82%	420,000	107,870		107,870	
Equipment and Buses	1.67%	1,365,300	422,162		280,270	\$ 141,892
Equipment and Buses	1.93%	813,000	334,607		165,695	168,912
Chromebooks and Buses	2.93%	996,000	712,262		196,156	516,106
Turf Fields	2.65%	1,036,804	939,163		199,185	739,978
Energy Savings Improvement Program	2.93%	11,065,064	7,736,562		592,397	7,144,165
Vehicles and Equipment	2.65%	1,495,600	1,354,752		287,326	1,067,426
Equipment and Buses	1.40%	1,515,800		\$ 1,515,800	146,858	1,368,942
Energy Savings Improvement Program	1.72%	2,098,835		2,098,835		2,098,835
			<u>\$ 11,784,398</u>	<u>\$ 3,614,635</u>	<u>\$ 2,152,777</u>	<u>\$ 13,246,256</u>

WAYNE TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,046,475		\$ 3,046,475	\$ 3,046,475	
Total Revenues	3,046,475		3,046,475	3,046,475	
EXPENDITURES:					
Regular Debt Service:					
Interest	431,475		431,475	431,475	
Redemption of Principal	2,615,000		2,615,000	2,615,000	
Total Regular Debt Service	3,046,475		3,046,475	3,046,475	
Total Expenditures	3,046,475		3,046,475	3,046,475	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	- 0 -		- 0 -	- 0 -	
Fund Balance, July 1	- 0 -		- 0 -	- 0 -	
Fund Balance, June 30	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

WAYNE TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,				
	2012	2013	2014	2015	2016
Governmental Activities:					
Net Investment in Capital Assets	\$ 18,069,619	\$ 18,802,649	\$ 20,547,189	\$ 18,284,152	\$ 33,022,139
Restricted	2,883,264	3,451,739	1,633,945	8,165,563	4,016,194
Unrestricted (Deficit)	2,783,528	2,619,824	(43,077,587)	(45,864,775)	(48,830,625)
Total Governmental Activities Net Position/(Deficit)	<u>\$ 23,736,411</u>	<u>\$ 24,874,212</u>	<u>\$ (20,896,453)</u>	<u>\$ (19,415,060)</u>	<u>\$ (11,792,292)</u>
Business-type Activities:					
Investment in Capital Assets	\$ 236,312	\$ 200,298	\$ 178,537	\$ 175,717	\$ 288,607
Unrestricted	550,466	668,924	646,678	736,219	687,621
Total Business-Type Activities Net Position	<u>\$ 786,778</u>	<u>\$ 869,222</u>	<u>\$ 825,215</u>	<u>\$ 911,936</u>	<u>\$ 976,228</u>
District-wide:					
Net Investment in Capital Assets	\$ 18,305,931	\$ 19,002,947	\$ 20,725,726	\$ 18,459,869	\$ 33,310,746
Restricted	2,883,264	3,451,739	1,633,945	8,165,563	4,016,194
Unrestricted (Deficit)	3,333,994	3,288,748	(42,430,909)	(45,128,556)	(48,143,004)
Total District Net Position/(Deficit)	<u>\$ 24,523,189</u>	<u>\$ 25,743,434</u>	<u>\$ (20,071,238)</u>	<u>\$ (18,503,124)</u>	<u>\$ (10,816,064)</u>
	June 30,				
	2017	2018	2019	2020*	2021
Governmental Activities:					
Net Investment in Capital Assets	\$ 36,187,950	\$ 40,016,473	\$ 38,273,044	\$ 42,552,767	\$ 41,482,648
Restricted	4,906,123	6,766,027	8,891,913	11,512,193	15,315,684
Unrestricted (Deficit)	(51,773,638)	(51,566,125)	(54,449,870)	(54,542,341)	(48,507,317)
Total Governmental Activities Net Position/(Deficit)	<u>\$ (10,679,565)</u>	<u>\$ (4,783,625)</u>	<u>\$ (7,284,913)</u>	<u>\$ (477,381)</u>	<u>\$ 8,291,015</u>
Business-type Activities:					
Investment in Capital Assets	\$ 242,141	\$ 188,563	\$ 245,819	\$ 300,580	\$ 261,933
Unrestricted (Deficit)	614,715	857,617	102,728	(362,938)	(679,591)
Total Business-Type Activities Net Position/(Deficit)	<u>\$ 856,856</u>	<u>\$ 1,046,180</u>	<u>\$ 348,547</u>	<u>\$ (62,358)</u>	<u>\$ (417,658)</u>
District-wide:					
Net Investment in Capital Assets	\$ 36,430,091	\$ 40,205,036	\$ 38,518,863	\$ 42,853,347	\$ 41,744,581
Restricted	4,906,123	6,766,027	8,891,913	11,512,193	15,315,684
Unrestricted (Deficit)	(51,158,923)	(50,708,508)	(54,347,142)	(54,905,279)	(49,186,908)
Total District Net Position/(Deficit)	<u>\$ (9,822,709)</u>	<u>\$ (3,737,445)</u>	<u>\$ (6,936,366)</u>	<u>\$ (539,739)</u>	<u>\$ 7,873,357</u>

* - Restated

Source: Wayne Township Public Schools District Financial Reports.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 87,266,186	\$ 91,042,891	\$ 92,381,582	\$ 73,184,000	\$ 78,905,505	\$ 88,567,172	\$ 88,119,809	\$ 87,112,898	\$ 80,956,139	\$ 85,659,414
Special Education				19,201,430	20,890,532	26,092,880	26,965,209	28,841,050	27,673,798	29,332,721
Other Special Instruction				4,738,040	4,378,608	5,421,181	5,670,549	5,228,923	5,146,559	5,362,490
School Sponsored/Other Instruction				4,826,208	5,645,476	6,127,133	6,133,051	6,322,683	6,060,522	5,784,882
Support Services:										
Tuition				5,314,728	5,161,154	5,271,592	5,480,487	6,790,714	7,437,223	6,817,368
Student & Instruction Related Services	22,976,908	25,110,264	24,387,990	28,345,490	31,709,736	32,919,874	33,352,351	30,508,488	28,675,650	31,525,550
General Administrative Services	1,782,477	1,952,676	1,892,617	1,667,783	1,654,085	1,697,118	1,659,477	1,759,643	1,657,385	1,639,608
School Administrative Services	7,243,935	7,510,142	8,620,564	9,710,268	10,098,969	10,914,958	11,095,588	11,507,811	9,852,344	10,029,853
Central Services				1,862,301	1,945,289	1,910,214	1,811,717	1,896,944	1,865,226	1,758,034
Administrative Information Technology	16,884,900	17,017,216	17,172,077	2,655,557	1,396,216	1,452,571	1,198,404	1,563,765	1,570,128	1,567,142
Plant Operations and Maintenance	6,209,541	7,307,819	7,827,146	16,096,278	16,158,309	15,893,651	15,603,490	18,325,665	17,518,352	16,225,240
Pupil Transportation	2,556,016	3,567,886	3,448,376	6,483,219	6,671,942	7,433,794	7,649,639	8,752,095	7,563,683	6,697,494
Other Support Services										
Charter Schools		1,105	21,826	22,279	66,474	44,328	17,252	60,109	325,039	55,625
Interest on Long-term Debt	1,415,635	826,922	1,143,735	744,813	829,057	637,953	533,732	429,526	2,569,242	208,033
Unallocated Depreciation						655,619	655,619	2,310,738		2,781,516
Total Governmental Activities Expenses	146,315,598	154,336,921	156,895,913	174,852,394	185,511,352	205,040,038	205,946,374	211,411,052	198,871,290	205,444,970
Business-Type Activities:										
Food Service	2,994,123	2,892,281	2,986,474	2,960,246	2,813,044	3,100,585	3,139,472	3,079,994	2,330,940	1,495,795
Community Education Program	353,037	46,689	9,809	7,023	6,608	7,548	8,267	7,392	8,561	3,263
Wrap Around Program						448,609	476,961	462,403	582,425	5,426
Extended Day Program	767,195	804,658	887,558	859,096	1,006,149	1,106,933	1,093,262	1,094,246	1,103,937	565,883
Total Business-Type Activities Expenses	4,114,355	3,743,628	3,883,841	3,826,365	3,825,801	4,663,675	4,717,962	4,644,035	4,025,863	2,070,367
Total District-Wide Expenses	150,429,953	158,080,549	160,779,754	178,678,759	189,337,153	209,703,713	210,664,336	216,055,087	202,897,153	207,515,337
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Regular	233,126	262,215	232,479	257,341	350,496	569,932	599,861	606,147	477,652	714,879
Special Education				15,578						
Student & Instruction Related Services										
Operating Grants and Contributions	3,436,583	3,307,946	3,141,872	38,255,280	44,603,509	58,118,004	59,880,754	53,888,274	47,161,950	54,254,172
Capital Grants and Contributions			20,062	45,427	250,000		151,753		267,435	
Total Governmental Activities Program Revenues	3,669,709	3,570,161	3,394,413	38,573,626	45,204,005	58,687,936	60,632,368	54,494,421	47,907,037	55,221,580

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

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 2,527,914	\$ 2,428,982	\$ 2,383,094	\$ 2,407,081	\$ 2,325,439	\$ 2,493,563	\$ 2,536,593	\$ 2,515,744	\$ 1,784,042	\$ 24,180
Community Education Program	244,045	53,397	7,305	2,819	10,416	6,895	8,635	7,810	10,950	3,625
Wrap Around Program	898,991	911,525	961,643	936,108	933,743	401,866	660,799	418,103	419,161	275
Extended Day Program	429,446	432,168	487,792	503,077	451,225	1,081,423	1,151,958	1,140,548	799,146	254,019
Operating Grants and Contributions						520,459	502,470	507,167	456,869	1,197,230
Total Business-Type Activities Revenues	4,100,396	3,826,072	3,839,834	3,849,085	3,740,823	4,504,206	4,860,455	4,589,372	3,470,168	1,479,329
Total District-wide Program Revenues	7,770,105	7,396,233	7,234,247	42,422,711	48,944,828	63,192,142	65,492,823	59,083,793	51,377,205	56,700,909
Net (Expense)/Revenue:										
Governmental Activities	(142,645,889)	(150,766,760)	(153,501,500)	(136,278,768)	(140,307,347)	(146,352,102)	(145,314,006)	(156,916,631)	(150,964,253)	(150,223,390)
Business-Type Activities	(13,959)	82,444	(44,007)	22,720	(84,978)	(159,469)	142,493	(54,663)	(555,695)	(591,038)
Total District-wide Net (Expense)/Revenue	(142,659,848)	(150,684,316)	(153,545,507)	(136,256,048)	(140,392,325)	(146,511,571)	(145,171,513)	(156,971,294)	(151,519,948)	(150,814,428)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	124,894,494	127,268,166	130,459,943	132,926,961	137,763,672	143,031,801	145,825,281	149,208,145	152,192,308	155,236,154
Taxes Levied for Debt Service	4,106,755	4,129,125	4,038,292	3,798,160	3,784,800	3,356,975	3,359,475	3,240,175	3,145,975	3,046,475
Unrestricted Grants and Contributions	16,012,559	19,686,274	18,157,591	387,365	382,787	507,514	524,393	284,446	237,859	266,828
Investment Earnings	9,211	11,343	5,703	3,298	1,381	21,596	64,401	119,697	157,644	41,901
Miscellaneous Income	398,512	809,653	484,270	708,063	682,503	587,040	1,483,227	919,910	1,012,406	492,501
Transfers	(136,523)			(63,686)	(21,348)	(40,097)	(46,831)	(114,339)	(44,790)	(92,073)
Other Item - SDA Grants Cancelled									(1,124)	
Total Governmental Activities General Revenues and Other Changes in Net Position	145,285,008	151,904,561	153,145,799	137,760,161	142,593,795	147,464,829	151,209,946	153,658,034	156,700,278	158,991,786
Business-type Activities:										
Investment Earnings	454			315						
Transfers	136,523			63,686	21,348	40,097	46,831	114,339	44,790	92,073
Other Items:										
Food Service Management										
Contractor Contribution										
Loss on Disposal of Equipment										
Total Business-type Activities General Revenues and Other Changes in Net Position	136,977			64,001	21,348	40,097	46,831	114,339	144,790	235,738
Total District-wide General Revenues and Other Changes in Net Position	145,421,985	151,904,561	153,145,799	137,824,162	142,615,143	147,504,926	151,256,777	153,772,373	156,845,068	159,227,524
Change in Net Position:										
Governmental Activities	2,639,119	1,137,801	(355,701)	1,481,393	2,286,448	1,112,727	5,895,940	(3,258,597)	5,736,025	8,768,396
Business-Type Activities	123,018	82,444	(44,007)	86,721	(63,630)	(119,372)	189,324	59,676	(410,905)	(355,300)
Total District-Wide Change in Net Position	\$ 2,762,137	\$ 1,220,245	\$ (399,708)	\$ 1,568,114	\$ 2,222,818	\$ 993,355	\$ 6,085,264	\$ (3,198,921)	\$ 5,325,120	\$ 8,413,096

Source: Wayne Township Public Schools District Financial Reports.

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

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Tax Levy	\$ 129,001,249	\$ 131,397,291	\$ 134,498,235	\$ 136,725,121	\$ 141,548,472	\$ 146,388,776	\$ 149,184,756	\$ 152,448,320	\$ 155,338,283	\$ 158,282,629
Tuition Charges	233,126	262,215	232,479	272,919	350,496	569,932	599,861	606,147	477,652	714,879
Interest Earnings	9,211	11,343	5,703	340		21,596	64,401	119,697	119,697	119,697
Miscellaneous	524,640	867,370	688,456	838,941	816,144	769,446	1,584,420	988,803	1,203,021	467,872
State Sources	16,148,899	20,036,315	18,496,357	20,759,842	22,915,778	25,254,503	28,154,446	32,550,932	34,372,499	41,746,952
Federal Sources	3,174,115	2,900,188	2,618,982	2,737,750	2,677,867	2,583,944	2,772,620	2,824,036	2,711,884	4,257,294
Total Revenues	149,091,240	155,474,722	156,540,212	161,334,913	168,308,757	175,588,197	182,360,504	189,537,935	194,223,036	205,589,323
Expenditures:										
Instruction:										
Regular Instruction	57,765,509	58,340,405	59,089,833	41,929,364	43,211,537	44,183,079	45,618,171	46,010,005	47,531,704	49,468,305
Special Education Instruction				12,174,471	12,548,479	13,725,930	14,517,568	16,182,768	16,530,658	17,363,974
Other Special Instruction				2,729,696	2,387,187	2,639,084	2,845,871	2,785,254	2,934,852	3,006,889
School Sponsored/Other Instruction				3,257,086	3,626,614	3,711,348	3,731,458	3,993,718	4,027,464	3,818,692
Support Services:										
Tuition				5,314,728	5,161,154	5,271,592	5,480,487	6,790,714	7,437,223	6,817,368
Student & Instruction Related Services	19,149,203	20,990,737	21,186,769	17,031,520	18,176,110	17,362,013	18,276,005	17,898,755	17,570,309	19,363,143
General Administrative Services	1,474,148	1,589,535	1,537,004	1,422,650	1,403,870	1,435,840	1,441,276	1,547,586	1,441,600	1,435,853
School Administrative Services	4,856,263	4,854,231	5,654,758	5,697,384	5,495,187	5,371,249	5,650,418	6,034,633	5,756,123	5,423,251
Central Services				1,429,949	1,488,974	1,439,510	1,422,533	1,483,872	1,469,560	1,350,181
Administrative Information Technology				1,905,868	1,549,262	1,607,019	1,657,803	1,900,735	1,904,937	1,982,173
Plant Operations and Maintenance	12,156,942	12,587,475	13,437,941	12,800,612	14,246,617	13,977,739	13,583,270	14,846,336	15,259,727	14,219,548
Pupil Transportation	5,035,745	4,545,411	4,710,812	5,470,868	5,722,993	5,908,667	6,549,294	6,810,239	6,341,349	5,910,839
Other Support Services	2,536,016	2,462,820	2,365,828							
Unallocated Benefits	39,236,134	44,184,502	43,746,870	44,901,072	47,393,283	51,129,789	53,202,474	56,068,325	57,594,666	65,108,025
Intergovernmental:										
Transfer of Fund to Charter Schools	1,430,174	1,105	21,826	22,279	66,474	44,328	17,252	60,109	3,956,729	55,625
Capital Outlay		2,178,333	3,137,458	7,188,168	9,636,571	3,332,892	3,817,958	6,264,208		1,697,997
Debt Service:										
Principal	2,661,965	3,150,009	3,476,077	2,750,000	2,855,000	2,510,000	2,615,000	2,600,000	2,610,000	2,615,000
Interest and Other Charges	1,458,164	1,405,474	1,206,522	1,059,880	963,775	846,975	744,475	640,175	535,975	431,475
Cost of issuance		231,086	112,370							
Total Expenditures	147,760,263	156,521,123	159,684,068	167,085,595	175,933,087	174,497,054	181,171,313	191,917,432	192,902,876	200,068,338

WAYNE TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,330,977	\$ (1,046,401)	\$ (3,143,856)	\$ (5,750,682)	\$ (7,624,330)	\$ 1,091,143	\$ 1,189,191	\$ (2,379,497)	\$ 1,320,160	\$ 5,520,985
Other Financing Sources (Uses):										
Capital Leases (non-budgeted)	825,000	1,000,000	1,250,000	1,515,800	1,700,000	1,233,000	1,365,300	2,032,804	1,495,600	3,614,635
Proceeds from capital lease			11,065,064							
Refunding bonds issued		25,440,000								
Premium on bonds		3,977,116								
Payment to Refunding Bond Escrow Agent		(29,543,030)								
Prior Year Accounts Payable Canceled		357,000								
SDA Grants Cancelled										
Transfers In	84	587,061	693,275	167,255	349,281	(40,097)	193,021	(114,339)	2,354,559	153,432
Transfers Out	(136,607)	(587,061)	(693,275)	(230,941)	(370,629)	(40,097)	(239,852)	(114,339)	(2,399,349)	(245,505)
Total Other Financing Sources (Uses)	688,477	1,231,086	12,315,064	1,452,114	1,678,652	1,192,903	1,318,469	1,918,465	1,449,686	3,522,562
Net Change in Fund Balances	\$ 2,019,454	\$ 184,685	\$ 9,171,208	\$ (4,298,568)	\$ (5,945,678)	\$ 2,284,046	\$ 2,507,660	\$ (461,032)	\$ 2,769,846	\$ 9,043,547
Debt Service as a Percentage of Noncapital Expenditures	2.82%	2.95%	2.99%	2.38%	2.30%	1.96%	1.89%	1.75%	1.67%	1.54%

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(Modified Accrual Basis of Accounting)

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Rents	Refunds	Misc.	Total
2012	\$ 233,126	\$ 9,127	\$ 81,837	\$ 11,276	\$ 305,399	\$ 640,765
2013	262,215	11,318	329,704	112,083	367,866	1,083,186
2014	232,479	5,703	270,927	5,279	207,788	722,176
2015	272,919	1,394	249,905	20,236	437,922	982,376
2016	350,496		272,466	65,816	344,221	1,032,999
2017	569,932	21,596	321,204	61,139	204,697	1,178,568
2018	599,861	64,401	267,511	75,698	1,140,018 #	2,147,489
2019	606,147	119,697	325,696	7,546	586,668	1,645,754
2020	477,652	157,644	122,474	41,105	848,827	1,647,702
2021	714,879	40,612	124,950	123,242	244,309	1,247,992

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

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm (Qualified)	Commercial	Industrial	Apartment	Total Assessed Value	Add: Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate ^b
2011	\$ 62,112,500	\$3,810,021,900	\$ 1,405,200	\$ 94,100	\$1,072,707,700	\$ 195,634,500	\$ 87,685,600	\$5,229,661,500	\$ 495	\$5,229,661,995	\$9,548,405,644	\$ 2.435
2012	63,224,500	3,793,531,500	1,405,200	76,300	1,048,345,100	194,240,900	87,685,600	5,188,509,100	548	5,188,509,648	9,473,269,396	2.490
2013	63,316,400	3,781,558,800	1,405,200	94,200	1,036,406,200	183,339,400	87,685,600	5,153,805,800	548	5,153,806,348	9,435,749,447	2.562
2014	64,695,600	3,777,401,000	1,405,200	94,200	1,030,307,300	183,158,600	87,685,600	5,144,747,500	548	5,144,748,048	9,450,966,399	2.634
2015	60,953,800	3,780,615,800	1,405,200	94,200	1,017,080,400	181,075,900	87,685,600	5,128,910,900	548	5,128,911,448	9,285,439,839	2.713
2016	61,455,000	3,782,207,300	1,405,200	94,200	1,084,395,800	174,597,300	87,685,600	5,191,840,400		5,191,840,400	9,520,997,642	2.769
2017	73,991,500	3,787,140,800	1,405,200	94,200	1,137,887,300	174,860,800	87,685,600	5,263,065,400		5,263,065,400	10,104,904,128	2.808
2018	49,040,400	3,789,068,600	1,405,200	94,200	1,107,399,700	213,722,000	87,865,600	5,248,595,700		5,248,595,700	9,979,704,094	2.867
2019	51,574,200	3,786,578,900	1,405,200	94,200	1,099,015,200	215,823,600	87,865,600	5,242,356,900		5,242,356,900	10,316,180,734	2.935
2020	51,887,800	3,781,102,200	1,405,200	94,200	1,098,407,100	216,695,000	87,685,600	5,237,277,100		5,237,277,100	10,941,976,086	2.994

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

a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.
b - Tax rates are per \$100 of assessed value of assessed value.

Source: Wayne Township Tax Assessor.

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

Year Ended December 31,	Wayne Township Public Schools Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Wayne Township	Passaic County	
2011	\$ 2.356	\$ 0.079	\$ 2.435	\$ 1.093	\$ 1.161	\$ 4.689
2012	2.411	0.079	2.490	1.141	1.238	4.869
2013	2.481	0.081	2.562	1.171	1.221	4.954
2014	2.555	0.079	2.634	1.206	1.286	5.126
2015	2.638	0.075	2.713	1.214	1.348	5.275
2016	2.695	0.074	2.769	1.199	1.370	5.338
2017	2.744	0.064	2.808	1.189	1.417	5.414
2018	2.805	0.062	2.867	1.204	1.393	5.464
2019	2.874	0.061	2.935	1.211	1.367	5.513
2020	2.935	0.059	2.994	1.231	1.398	5.623

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

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

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

Source: A4F and County Abstract of Ratables.

WAYNE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2021			2012		
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Willowbrook Mall		\$ 187,500,000	3.58%	Willowbrook Mall	\$ 156,000,000	2.96%
West Belt Fee Owners		87,100,000	1.66%	Toys "R" Us, Inc	38,527,100	0.73%
NJ Educational Facilities Authority		84,833,900	1.62%	Wayne PSC, LLC	32,612,400	0.62%
Township of Wayne		38,091,200	0.73%	Mountain View Crossings	31,970,400	0.61%
MT View Crossings- UBS Realty Invest		31,970,400	0.61%	Macy's East, Inc.	27,610,700	0.52%
GS Portfolio Holdings- Brookfield		31,830,400	0.61%	PL Wayne, % Kimco Realty	26,000,000	0.49%
Peykar Family Properties of Wayne		30,979,800	0.59%	Levco Associates	24,808,600	0.47%
Passaic County Vocational School		30,259,000	0.58%	Wayne Retail, Wayne Towne Center	22,900,000	0.43%
Macgregor Realty, Huyler Realty		28,543,000	0.54%	Scars Roebuck	18,078,000	0.34%
PL Wayne, LLC		26,000,000	0.50%	Maquet Cardiovascular, LLC	17,706,600	0.34%
Total		\$ 577,107,700	11.02%	Total	\$ 396,213,800	7.51%

Source: Wayne Township Tax Assessor.

WAYNE TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2012	\$ 129,001,249	\$ 129,001,249	100.00%	\$ - 0 -
2013	131,397,231	131,397,231	100.00%	- 0 -
2014	134,498,235	134,498,235	100.00%	- 0 -
2015	136,725,121	136,725,121	100.00%	- 0 -
2016	141,548,472	141,548,472	100.00%	- 0 -
2017	146,388,776	146,388,776	100.00%	- 0 -
2018	149,184,756	149,184,756	100.00%	- 0 -
2019	152,448,320	152,448,320	100.00%	- 0 -
2020	155,338,283	155,338,283	100.00%	- 0 -
2021	158,282,629	158,282,629	100.00%	- 0 -

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

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

WAYNE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities						Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation		Loans Payable	Capital Leases	Bond				
	Bonds				Anticipation Notes (BANs)				
2012	\$ 35,013,000	\$ 13,928	\$ 1,231,262	\$ -	-	\$ 36,258,190	1.54%	\$ 660.21	
2013	29,275,000	6,963	1,853,218	-	-	31,135,181	1.31%	568.21	
2014	26,400,000	-	13,574,168	-	-	39,974,168	1.60%	732.17	
2015	* 26,633,619	-	14,207,763	-	-	40,841,382	1.63%	748.05	
2016	* 23,384,748	-	13,863,409	-	-	37,248,157	1.45%	683.34	
2017	* 20,504,784	-	13,011,526	-	-	33,516,310	1.30%	618.37	
2018	* 17,519,820	-	12,228,686	-	-	29,748,506	1.14%	550.61	
2019	* 14,549,856	-	12,326,224	-	-	26,876,080	1.00%	501.00	
2020	* 11,569,892	-	11,784,398	-	-	23,354,290	0.84%	439.30	
2021	* 8,584,928	-	13,246,256	-	-	21,831,184	0.79%	410.65	

* - Includes unamortized bond premiums.

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

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

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Net Valuation Taxable ^a	Per Capita ^b
	General Obligation Bonds	Deductions			
2012	\$ 35,013,000	\$ - 0 -	\$35,013,000	0.67%	\$ 636.20
2013	29,275,000	- 0 -	29,275,000	0.56%	533.06
2014	26,400,000	- 0 -	26,400,000	0.51%	481.80
2015 *	26,633,619	- 0 -	26,633,619	0.52%	487.82
2016 *	23,384,748	- 0 -	23,384,748	0.46%	429.01
2017 *	20,504,784	- 0 -	20,504,784	0.39%	378.31
2018 *	17,519,820	- 0 -	17,519,820	0.33%	324.27
2019 *	14,549,856	- 0 -	14,549,856	0.28%	271.22
2020 *	11,569,892	- 0 -	11,569,892	0.22%	216.78
2021 *	8,584,928	- 0 -	8,584,928	0.16%	161.48

* - Includes unamortized bond premiums.

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

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

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

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2020
UNAUDITED

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Wayne Township	\$ 113,073,555	100.00%	\$ 113,073,555
Passaic County General Obligation Debt (including Passaic County Utilities Authority debt)	21,278,044	20.83%	<u>4,432,216</u>
Subtotal, Overlapping Debt			117,505,771
Wayne Township Public Schools District Direct Debt			<u>21,831,184</u>
Total Direct and Overlapping Debt			<u><u>\$ 139,336,955</u></u>

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

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

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

WAYNE TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 418,139,679	\$ 395,972,746	\$ 379,432,326	\$ 377,745,146	\$ 375,452,234
Total Net Debt Applicable to Limit	35,013,000	29,275,000	26,400,000	26,633,619	23,384,748
Legal Debt Margin	<u>\$ 383,126,679</u>	<u>\$ 366,697,746</u>	<u>\$ 353,032,326</u>	<u>\$ 351,111,527</u>	<u>\$ 352,067,486</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.37%	7.39%	6.96%	7.05%	6.23%

	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 381,155,605	\$ 390,310,519	\$ 402,504,845	\$ 415,669,422	\$ 428,006,624
Total Net Debt Applicable to Limit	20,504,784	17,519,820	14,549,856	11,569,892	8,584,928
Legal Debt Margin	<u>\$ 360,650,821</u>	<u>\$ 372,790,699</u>	<u>\$ 387,954,989</u>	<u>\$ 404,099,530</u>	<u>\$ 419,421,696</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.38%	4.49%	3.61%	3.61%	2.01%

Legal Debt Margin Calculation for Fiscal Year 2021	
Year Ended December 31,	Equalized Valuation Basis
2018	\$ 10,291,011,176
2019	10,914,380,387
2020	10,895,105,263
	<u>\$ 32,100,496,826</u>
Average Equalized Valuation of Taxable Property	<u>\$ 10,700,165,609</u>
Debt Limit (4% of Average Equalization Value)	\$ 428,006,624
Net Bonded School Debt	<u>8,584,928</u>
Legal Debt Margin	<u>\$ 419,421,696</u>

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

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

WAYNE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Year	Population ^a	Passaic County Per Capita Personal Income ^c	Personal Income (thousands of dollars) ^b	Township Unemployment Rate ^d
2012	54,919	\$ 42,806	\$ 2,350,862,714	7.2%
2013	54,795	43,395	2,377,829,025	6.4%
2014	54,597	45,765	2,498,631,705	5.3%
2015	54,509	47,110	2,567,918,990	4.5%
2016	54,201	47,726	2,586,796,926	3.9%
2017	54,028	48,204	2,604,365,712	3.7%
2018	53,645	50,071	2,686,058,795	3.3%
2019	53,372	52,129	2,782,228,988	2.8%
2020	53,163	52,129 *	2,771,334,027	8.1%
2021	53,163 **	52,129 *	2,771,334,027 ***	N/A

N/A - Information is not available

* - Latest Passaic County per capita personal income data available (2019) was used for calculation purposes.

** - Latest population data available (2020) was used for calculation purposes.

***- Latest population data (2020) and latest per capita personal income (2019) was used for calculation purposes.

Source:

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

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

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

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

WAYNE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS OF PASSAIC COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2021			2012		
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
St. Joseph's Hospital		3,700	2.14%	Geoffrey, Inc.	1,500	0.99%
Passaic County Administration		2,500	1.40%	BAE Systems Communication	1,375	0.91%
International Specialty Products		2,200	1.09%	Toys R Us, Inc.	1,300	0.86%
City of Paterson		1,600	0.78%	St. Joseph's Wayne Hospital	1,300	0.86%
U.S. Postal Service		1,500	0.54%	William Paterson University	1,000	0.66%
BAE Systems		1,400	0.50%	International Specialty Products	850	0.56%
St. Mary's General Hospital		1,220	0.19%	Bayer Health Pharmaceuticals	700	0.46%
William Paterson University		1,000	0.19%	Preakness Health Care Center	700	0.46%
Communication Worker's of America		700	0.16%	Boston Scientific - Wayne Plant	500	0.33%
Grant Tire Service		600	0.16%	Fortunoff	500	0.33%
		<u>16,420</u>	<u>7.15%</u>		<u>9,725</u>	<u>6.41%</u>

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

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

<u>Function/Program</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instruction:										
Regular	538	539	536	578	562	560	567	576	577	577
Special Education	250	257	329	353	340	340	339	345	347	347
Support Services:										
Student & Instruction Related Services	131	139	125	120	120	120	124	130	134	134
General Administrative Services	13	22	13	20	20	20	20	20	20	20
School Administrative Services	46	45	52	57	54	49	52	55	57	57
Central services	17	17	17	18	15	15	15	15	15	15
Administrative information technology	11	11	14	12	13	12	12	12	12	12
Plant Operations and Maintenance	104	103	125	130	151	150	150	150	150	150
Pupil Transportation	94	95	93	105	98	104	104	104	104	104
Business and Other Support Services	63	63	57	68	68	68	68	68	68	68
Total	1,267	1,291	1,361	1,461	1,441	1,438	1,451	1,475	1,484	1,484

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teaching Staff ^d	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^e	Average Daily Attendance (ADA) ^e	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2012	8,563	\$ 142,209,960	\$16,607	3.90%	788	1:14.3	1:10.7	1:11.4	8,563	8,198	-1.39%	95.74%
2013	8,502	149,556,221	17,591	5.92%	796	1:13.6	1:10.7	1:11.0	8,492	8,100	-0.83%	95.38%
2014	8,201	151,751,641	18,504	5.19%	864	1:15.3	1:11.0	1:12.0	8,356	7,907	-1.60%	94.63%
2015	8,144	156,087,547	19,166	3.58%	736	1:12.2	1:10.2	1:10.8	8,092	7,676	-3.16%	94.86%
2016	8,021	162,477,741	20,257	5.69%	741	1:12.2	1:10.2	1:10.8	8,026	7,644	-0.82%	95.24%
2017	7,963	167,807,187	21,073	4.03%	795	1:13.6	1:10.7	1:11.0	7,920	7,488	-1.32%	94.55%
2018	7,869	173,993,880	22,111	4.93%	796	1:13.6	1:10.7	1:11.0	7,932	7,469	0.15%	94.16%
2019	7,727	182,413,049	23,607	6.77%	801	1:12.7	1:10.0	1:11.0	7,801	7,387	-1.65%	94.69%
2020	7,701	185,800,172	24,127	2.20%	804	1:12.7	1:10.0	1:11.0	7,719	7,398	-1.05%	95.84%
2021	7,572	195,323,866	25,796	6.92%	808	1:12.7	1:10.0	1:11.0	7,522	7,109	-2.55%	94.51%

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

Source: Wayne Township Public Schools District records.

WAYNE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
<u>Elementary Schools</u>										
<u>Randall Carter</u>										
Square Feet	36,070	36,070	36,070	36,070	36,071	36,071	36,071	36,070	36,070	36,070
Capacity (students)	415	415	415	415	415	415	415	415	415	415
Enrollment	365	365	365	365	320	336	334	346	346	322
<u>Theunis Dey</u>										
Square Feet	43,360	43,360	43,360	43,360	43,360	43,360	43,360	43,351	43,351	43,351
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment	441	441	441	441	431	445	435	431	431	392
<u>James Fallon</u>										
Square Feet	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765	44,765
Capacity (students)	351	351	351	351	351	351	351	351	351	351
Enrollment	396	396	396	396	358	357	381	384	384	370
<u>John F. Kennedy</u>										
Square Feet	43,530	43,530	43,530	43,530	43,530	43,530	43,530	43,732	43,732	43,732
Capacity (students)	428	428	428	428	428	428	428	428	428	428
Enrollment	452	452	452	452	442	416	417	400	400	348
<u>Lafayette</u>										
Square Feet	38,850	38,850	38,850	38,850	38,850	38,850	38,850	39,031	39,031	39,031
Capacity (students)	416	416	416	416	416	416	416	416	416	416
Enrollment	381	381	381	381	327	334	301	299	299	299
<u>Packanack Lake</u>										
Square Feet	49,195	49,195	49,195	49,195	49,195	49,195	49,195	50,129	50,129	50,129
Capacity (students)	404	404	404	404	404	404	404	404	404	404
Enrollment	510	510	510	510	462	447	441	458	458	358
<u>Pines Lake</u>										
Square Feet	47,610	47,610	47,610	47,610	47,610	47,610	47,610	47,090	47,090	47,090
Capacity (students)	446	446	446	446	446	446	446	446	446	446
Enrollment	429	429	429	429	367	398	380	370	370	358

WAYNE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>District Building</u>										
Ryerson										
Square Feet	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715	46,715
Capacity (students)	424	424	424	424	424	424	424	424	424	424
Enrollment	262	262	262	262	263	284	275	289	289	257
Albert Payson Terhune										
Square Feet	40,295	40,295	40,295	40,295	40,295	40,295	40,295	41,102	41,102	41,102
Capacity (students)	454	454	454	454	454	454	454	454	454	454
Enrollment	412	412	412	412	420	396	398	418	418	371
<u>Middle Schools</u>										
Schuyler Colfax										
Square Feet	121,395	121,395	121,395	121,395	121,395	121,395	121,395	127,170	127,170	127,170
Capacity (students)	758	758	758	758	758	758	758	758	758	758
Enrollment	780	780	780	780	733	752	693	680	680	645
George Washington										
Square Feet	109,220	109,220	109,220	109,220	109,220	109,220	109,220	109,506	109,506	109,506
Capacity (students)	686	686	686	686	686	686	686	686	686	686
Enrollment	603	603	603	603	557	582	556	557	557	551
Anthony Wayne										
Square Feet	101,500	101,500	101,500	101,500	101,500	101,500	101,500	109,044	109,044	109,044
Capacity (students)	497	497	497	497	497	497	497	497	497	497
Enrollment	714	714	714	714	654	632	653	629	629	685
<u>High Schools</u>										
Wayne Valley										
Square Feet	239,260	239,260	239,260	239,260	239,260	239,260	239,260	266,535	266,535	266,535
Capacity (students)	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615
Enrollment	1,479	1,479	1,479	1,479	1,337	1,302	1,255	1,260	1,260	1,212
Wayne Hills										
Square Feet	229,860	229,860	229,860	229,860	229,860	229,860	229,860	258,412	258,412	258,412
Capacity (students)	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673
Enrollment	1,339	1,339	1,339	1,339	1,350	1,329	1,286	1,280	1,280	1,234

WAYNE TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2012	2013	2014	2015	2016	2017	2018	2019	2021	2021
<u>District Building</u>										
<u>Other</u>										
<u>Preakness Academy</u>										
Square Feet	25,130	25,130	25,130	25,130	25,130	25,130	25,130	28,855	28,855	28,855
Capacity (students)	77	77	77	77	77	77	77	77	77	246
Enrollment										146
<u>Outdoor Lab</u>										
Square Feet	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
<u>Child Study Team</u>										
Square Feet	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
<u>Transportation Building</u>										
Square Feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995
<u>Maintenance Building</u>										
Square feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995

Number of Schools at June 30, 2021
 Elementary School = 9
 Middle School = 3
 High School = 2
 Other = 5

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

Source: Wayne Township Public Schools District.

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

School Facilities*	Fiscal Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Undistributed Expenditures - Required Maintenance										
For School Facilities - Account #11-000-261-XXX:										
A.P Terhune Elementary School	\$ 67,568	\$ 74,929	\$ 76,112	\$ 75,183	\$ 80,245	\$ 76,185	\$ 69,698	\$ 102,202	\$ 85,684	\$ 80,608
Administration Building	34,307	27,682	28,138	27,795	29,550	201,916	35,389	37,758	31,656	40,927
Anthony Wayne Middle School	170,200	198,788	202,111	199,645	212,712	28,048	175,565	271,144	227,320	203,045
George Washington Middle School	183,145	199,630	203,316	200,835	213,477	202,615	188,918	272,292	228,283	218,489
James Fallon Elementary School	75,064	81,607	83,244	82,228	87,378	82,953	77,430	111,311	93,320	89,550
John F. Kennedy Elementary School	72,993	79,724	81,371	80,378	85,340	81,014	75,294	108,742	91,167	87,079
Lafayette Elementary School	65,145	71,154	72,664	71,777	76,169	72,309	67,199	97,053	81,367	77,717
Packanaek Elementary School	82,492	91,386	93,370	92,231	97,822	92,863	85,093	124,648	104,502	98,412
Pines Lake Elementary School	79,835	85,845	87,761	86,690	91,709	87,030	82,351	117,092	98,167	95,241
Preakness	42,139	52,603	53,806	53,149	56,299	54,736	43,467	71,749	60,153	50,271
Randall Carter Elementary School	60,484	65,756	67,281	66,460	70,309	66,732	62,390	89,690	75,194	72,156
Ryerson Elementary School	78,334	85,162	87,171	86,107	91,199	86,582	80,804	116,159	97,385	93,451
Schuyler-Coffax Middle School	203,560	231,832	237,418	234,521	247,104	234,389	209,978	316,215	265,107	242,844
Theunis Dey Elementary School	72,708	79,029	81,037	80,048	84,576	80,284	75,000	107,795	90,372	86,739
Wayne Hills High School	385,439	471,087	483,244	477,347	503,888	478,245	397,589	642,555	538,703	459,823
Wayne Valley High School	401,202	485,896	499,565	493,469	519,690	475,534	413,850	662,753	555,637	478,628
Grand Total	\$ 2,074,615	\$ 2,382,110	\$ 2,437,609	\$ 2,407,863	\$ 2,547,467	\$ 2,401,435	\$ 2,140,015	\$ 3,249,158	\$ 2,724,017	\$ 2,474,980

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

Source: Wayne Township Public Schools District Financial Reports.

WAYNE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2021
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
New Jersey Schools Insurance Group		
Commercial Property	\$ 500,000,000	\$ 5,000
Computer Equipment	4,500,000	1,000
Equipment Breakdown/Boiler and Machinery	100,000,000	5,000
Valuable Papers & Records	10,000,000	5,000
Automobile	16,000,000	
General Liability	16,000,000	
Environmental	11,000,000	50,000
Employee Dishonesty	500,000	1,000
Theft, Disappearance and Destruction-Loss of Money & Securities on or off premises	100,000	500
Theft, Disappearance and Destruction-Money Orders & Counterfeit Paper Currency	100,000	500
Forgery or Alteration	25,000	500
Computer Fraud	100,000	1,000
	Total Budget Payrolls	
Workers Compensation	96,237,878	
New Jersey Schools Insurance Group		
School Leaders Errors & Omissions	16,000,000	25,000
Torus National Insurance Company		
High Excess Liability	30,000,000	
QBE Insurance Corporation		
Volunteer Liability	500,000	
Hartford Fire Insurance Company		
Treasurer of School Monies	1,000,000	
Board Secretary/Business Administrator	1,000,000	
Assistant Business Administrator	1,000,000	

Source: Wayne Township Public Schools District Financial Reports.

SINGLE AUDIT SECTION



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BKR International

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Wayne Township School District, in the County of Passaic (the "District") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2021.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mount Arlington, New Jersey
December 21, 2021

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

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



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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

We have audited the Wayne Township School District's (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2021. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

Mount Arlington, New Jersey
December 21, 2021

Nisivoccia, LLP
NISIVOCCIA LLP

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2020		Cash Received	Budgetary Expenditures	Balance at June 30, 2021		
			From	To		Unearned Revenue/(Accounts Receivable)	Due to Grantor			(Accounts Receivable)	Unearned Revenue	Amounts Provided to Subrecipients
U.S. Department of Education - Passed-through State Department of Education:												
Special Revenue Fund:												
Special Education Cluster:												
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5570-21	7/1/20	9/30/21	\$ 2,066,124	\$ 1,918,375	\$ (2,065,564)	\$ (147,189)				
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-5570-20	7/1/19	9/30/20	1,820,020	\$ (459,908)	459,908					
I.D.E.A. - Part B, Preschool	84.173	IDEA-5570-21	7/1/20	9/30/21	72,874	72,874	(72,874)					
I.D.E.A. - Part B, Preschool	84.173	IDEA-5570-20	7/1/19	9/30/20	72,976	(5,096)	5,096					
Subtotal Special Education Cluster						(465,004)	2,456,253	(2,138,438)		(147,189)		
Elementary and Secondary Education Act:												
Title I	84.010	ESEA-5570-21	7/1/20	9/30/21	797,681		264,295	(492,614)		(228,319)		
Title I	84.010	ESEA-5570-20	7/1/19	9/30/20	700,611	(74,564)	150,634	(76,070)				
Title I - Reallocated	84.010	ESEA-5570-20	7/1/19	9/30/20	6,061	78		(78)				
Total Title I						(74,486)	414,929	(568,762)		(228,319)		
Title II	84.367A	ESEA-5570-21	7/1/20	9/30/21	203,373		104,020	(174,344)		(70,324)		
Title II	84.367A	ESEA-5570-20	7/1/19	9/30/20	161,128	(17,345)	28,327	(10,982)				
Total Title II						(17,345)	132,347	(185,326)		(70,324)		
Total Title III												
Title III - Immigrant	84.365A	ESEA-5570-21	7/1/20	9/30/21	7,254		4,511	(1,815)				
Title III - Immigrant	84.365A	ESEA-5570-20	7/1/19	9/30/20	18,930	(2,696)	19,240	(37,807)		(18,567)		
Title III	84.365A	ESEA-5570-21	7/1/20	9/30/21	66,698		2,540	(1,320)				
Title III	84.365A	ESEA-5570-20	7/1/19	9/30/20	50,097	(3,916)	26,291	(45,642)		(23,267)		
Total Title III							19,423	(43,898)		(24,475)		
Title IV	84.424	ESEA-5570-21	7/1/20	9/30/21	59,478		9,345	(8,250)				
Title IV	84.424	ESEA-5570-20	7/1/19	9/30/20	104,849	(1,095)	28,768	(52,148)		(24,475)		
Total Title IV							30,924	(36,065)		(5,141)		
Carl D. Perkins - Vocational Education	84.048A	PERK-5570-21	7/1/20	6/30/21	40,050							
Education Stabilization Fund:												
COVID-19 - CARES Emergency Relief	84.425D	CARES557020	3/13/20	9/30/22	540,316	(376,010)	524,670	(156,176)		(7,516)		
COVID 19 - CRRSA - ESSER II	84.425D	N/A	3/13/20	9/30/23	1,846,000	(376,010)	524,670	(576,084)		(576,084)		
Total Education Stabilization Fund							524,670	(732,260)		(583,600)		
Total U.S. Department of Education						(937,856)	3,614,182	(3,758,641)		(1,082,315)		
U.S. Department of Treasury:												
Passed-through State Department of Education:												
COVID 19 - Non Public Digital Divide	21.019	N/A	7/16/20	10/31/20	55,855		55,493	(55,208)		\$ 285		
COVID 19 - Coronavirus Relief Fund	21.019	N/A	3/13/20	12/30/21	273,467		273,467	(273,467)				
Total U.S. Department of Treasury							328,960	(328,675)		285		
Total Special Revenue Fund						(937,856)	3,943,142	(4,087,316)		(1,082,315)	285	

WAYNE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2020		Due to Grantor	Cash Received	Budgetary Expenditures	Balance at June 30, 2021		Amounts Provided to Subrecipients
			From	To		Unearned Revenue/(Accounts Receivable)	Unearned Revenue						
U.S. Department of Health and Human Services -													
General Fund:													
Medicaid Cluster:													
Medical Assistance Program	93.778	N/A	7/1/20	6/30/21	\$ 106,062	\$	106,062	\$	106,062	(106,062)			
Families First Coronavirus Response Act/SEMI	93.778	N/A	1/1/20	12/31/20	7,278			7,278	(7,278)				
Total U.S. Department of Health and Human Services/Total Medicaid Cluster							113,340			(113,340)			
U.S. Department of Agriculture - Passed-through													
State Department of Agriculture:													
Child Nutrition Cluster:													
COVID 19 - Seamless Summer Option - Breakfast	10.553	N/A	7/1/20	6/30/21	374,445			326,479	(374,445)		(47,966)		
COVID 19 - Seamless Summer Option - Breakfast	10.553	N/A	3/18/20	6/30/20	35,388	\$	(17,693)	17,693					
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/20	6/30/21	665,994			578,946	(665,994)		(87,048)		
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	3/18/20	6/30/20	62,636		(31,333)	31,333					
Federal Food Distribution Program	10.555	N/A	7/1/20	6/30/21	85,231			85,231	(75,533)		\$ 9,698		
Federal Food Distribution Program	10.555	N/A	7/1/19	6/30/20	133,732			1,039,682	(1,158,493)		(135,014)		9,698
Subtotal Child Nutrition Cluster							(6,505)				(135,014)		
Total U.S. Department of Agriculture							(6,505)		1,039,682	(1,158,493)		9,698	
TOTAL FEDERAL AWARDS							\$ (944,361)	\$ - 0 -	\$ 5,096,164	\$ (5,359,149)	\$ (1,217,329)	\$ 9,983	\$ - 0 -

N/A - Not Available/Applicable

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2020		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2021		MEMO	
		From	To		Budgetary Revenue/Unearned (Accounts Receivable)	Due to Grantor				GAAP (Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:													
General Fund:													
Transportation Aid	21-495-034-5120-014	7/1/20	6/30/21	\$ 1,449,581	\$ (119,179)	\$ 1,317,974	\$ (1,449,581)			\$ (131,607)	\$ 1,449,581	\$ (131,607)	\$ 1,449,581
Transportation Aid	20-495-034-5120-014	7/1/19	6/30/20	1,449,581		119,179					1,449,581		1,449,581
Special Education Categorical Aid	21-495-034-5120-089	7/1/20	6/30/21	4,415,130		4,014,284	(4,415,130)			(400,846)	4,415,130	(400,846)	4,415,130
Special Education Categorical Aid	20-495-034-5120-089	7/1/19	6/30/20	4,123,902		339,050					4,123,902		4,123,902
Security Aid	21-495-034-5120-084	7/1/20	6/30/21	154,816		140,760	(154,816)			(14,056)	154,816	(14,056)	154,816
Security Aid	20-495-034-5120-084	7/1/19	6/30/20	154,816		12,728					154,816		154,816
Extraordinary Special Education Costs Aid	21-495-034-5120-044	7/1/20	6/30/21	4,953,665		3,078,419	(4,953,665)			(4,953,665)	4,953,665	(4,953,665)	4,953,665
Extraordinary Special Education Costs Aid	20-495-034-5120-044	7/1/19	6/30/20	3,078,419		3,078,419				(104,980)	3,078,419	(104,980)	3,078,419
Nonpublic School Transportation Costs	21-495-034-5120-014	7/1/20	6/30/21	104,980		7,460	(104,980)			(104,980)	104,980	(104,980)	104,980
Nonpublic School Transportation Costs	20-495-034-5120-014	7/1/19	6/30/20	7,460		7,460					7,460		7,460
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20	6/30/21	5,279,850		5,279,850	(5,279,850)				5,279,850		5,279,850
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	7/1/19	6/30/20	5,147,246		256,529					5,147,246		5,147,246
On-Behalf TPAF Post Retirement Contributions	21-495-034-5094-001	7/1/20	6/30/21	5,913,345		5,913,345	(5,913,345)				5,913,345		5,913,345
On-Behalf TPAF Pension Contributions	20-495-034-5094-001	7/1/19	6/30/20	18,516,988		18,516,988	(18,516,988)				18,516,988		18,516,988
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-004	7/1/20	6/30/21	352,310		352,310	(352,310)				352,310		352,310
On-Behalf TPAF Long-Term Disability Insurance	20-495-034-5094-004	7/1/20	6/30/21	8,818		8,818	(8,818)				8,818		8,818
Total General Fund State Aid				(3,813,365)		39,357,694	(41,149,483)			(5,058,645)	55,110,907	(5,605,154)	55,110,907
Special Revenue Fund:													
NJ Nonpublic Aid:													
Technology Initiative	20-100-034-5120-373	7/1/19	6/30/20	49,860					\$ (396)				49,464
Textbook Aid (Chapter 194)	21-100-034-5120-064	7/1/20	6/30/21	78,440		78,440	(78,440)						78,440
Textbook Aid (Chapter 194)	20-100-034-5120-064	7/1/19	6/30/20	73,002		580			(580)				72,422
Nursing Services (Chapter 226)	21-100-034-5120-070	7/1/20	6/30/21	136,986		136,986	(134,611)				\$ 2,375		134,611
Nursing Services (Chapter 226)	20-100-034-5120-070	7/1/19	6/30/20	138,516		235,025			(1,067)		3,253		137,449
Security Aid	21-100-034-5120-509	7/1/20	6/30/21	235,025		235,025	(231,772)						231,772
Security Aid	20-100-034-5120-509	7/1/19	6/30/20	214,200		3,150			(3,150)				211,050
Auxiliary Services (Chapter 192):													
Compensatory Education	21-100-034-5120-067	7/1/20	6/30/21	82,040		82,040	(72,641)				9,399		72,641
Compensatory Education	20-100-034-5120-067	7/1/19	6/30/20	79,658		890			(890)				78,768
English as a Second Language	20-100-034-5120-067	7/1/20	6/30/21	5,329		5,329	(3,776)				1,553		3,776
English as a Second Language	19-100-034-5120-067	7/1/19	6/30/20	20,681		14,229			(14,229)				6,452
Home Instruction	20-100-034-5120-067	7/1/19	6/30/20	13,714		13,714							13,714

WAYNE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2020		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2021		MEMO
		From	To		Budgetary Unearned Revenue/(Accounts Receivable)	Due to Grantor				GAAP (Accounts Receivable)	Due to Grantor	
Special Revenue Fund:												
NJ Nonpublic Aid:												
Handicapped Services (Chapter 193):												
Supplementary Instruction	21-100-034-5120-066	7/1/20	6/30/21	\$ 76,173	\$	\$ 76,173	\$ (71,478)	\$ (1,617)	\$ 4,695		\$	71,478
Supplementary Instruction	20-100-034-5120-066	7/1/19	6/30/20	78,196								76,579
Examination and Classification	21-100-034-5120-066	7/1/20	6/30/21	87,334		87,334	(66,723)	(1,300)	20,611			66,723
Examination and Classification	20-100-034-5120-066	7/1/19	6/30/20	84,173		15,039	(13,580)	(1,641)	1,459			82,873
Corrective Speech	21-100-034-5120-066	7/1/20	6/30/21	15,039								13,580
Corrective Speech	20-100-034-5120-066	7/1/19	6/30/20	13,398								11,757
Total Special Revenue Fund					\$ (13,714)	730,080	(673,021)	(24,870)	43,345			1,413,549
Enterprise Fund:												
State School Lunch Program	20-100-010-3350-023	7/1/20	6/30/21	15,486		4,115	(38,737)					15,486
COVID 19 - Seamless Summer Option - Lunch	21-100-010-3350-023	7/1/20	6/30/21	38,737		29,213						38,737
COVID 19 - Seamless Summer Option - Lunch	20-100-010-3350-023	3/18/20	6/30/20	3,747		495						3,747
State School Lunch Program	18-100-010-3350-023	7/1/17	6/30/18	17,846		1,678						17,846
Total Enterprise Fund					(6,288)	35,501	(38,737)				(9,524)	76,268
TOTAL STATE AWARDS					\$ (3,833,367)	\$ 40,123,275	\$ (41,861,241)	\$ (24,870)	\$ 43,345		\$ (5,068,169)	\$ (5,614,678)

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

On-Behalf TPAF Pension System Contributions:	Amount
On-Behalf TPAF Post Retirement Contributions	5,913,345
On-Behalf TPAF Pension Contributions	18,516,988
On-Behalf TPAF Non-Contributory Insurance	352,310
On-Behalf TPAF Long-Term Disability Insurance	8,818
Subtotal - On-Behalf TPAF Pension System Contributions	24,791,461

Total State Awards Subject to Single Audit Major Program Determination

\$ (17,069,780)

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards include federal and state awards activity of the Board of Education, Wayne Township Public Schools under programs of the federal and state governments for the fiscal year ended June 30, 2021. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

WAYNE TOWNSHIP PUBLIC SCHOOLS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$75,552) for the general fund, \$57,291 for the special revenue fund, (of which \$653 is for local awards and is not included in the table below) and (\$438,895) for the capital projects fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenue are reported on the Board's financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 113,340	\$ 41,073,931	\$41,187,271
Special Revenue Fund	4,143,954	673,021	4,816,975
Food Service Enterprise Fund	<u>1,158,493</u>	<u>38,737</u>	<u>1,197,230</u>
Total Financial Assistance	<u>\$ 5,415,787</u>	<u>\$ 41,785,689</u>	<u>\$47,201,476</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. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2021.

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Summary of Auditors' Results:

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

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. - Part B, Basic:				
Regular	84.027	7/1/20-9/30/21	\$ 2,066,124	\$ 2,065,564
Preschool	84.173	7/1/20-9/30/21	72,874	72,874
Child Nutrition Cluster:				
COVID 19 Seamless Summer Option - Breakfast	10.553	7/1/20-6/30/21	374,445	374,445
COVID 19 Seamless Summer Option - Lunch	10.555	7/1/20-6/30/21	665,994	665,994
Federal Food Distribution Program	10.555	7/1/19-6/30/20	133,732	42,521
Federal Food Distribution Program	10.555	7/1/20-6/30/21	85,231	75,533
<u>State:</u>				
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	5,279,850	5,279,850

WAYNE TOWNSHIP PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Summary of Auditors' Results: (Cont'd)

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

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

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

WAYNE TOWNSHIP PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Status of Prior Year Findings:

The District had no prior year audit findings.