

**CALDWELL-WEST CALDWELL  
SCHOOL DISTRICT**

**Caldwell-West Caldwell School District  
West Caldwell, New Jersey**

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

**Comprehensive Annual  
Financial Report**

**of the**

**Caldwell-West Caldwell School District  
Board of Education**

**West Caldwell, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by**

**Caldwell-West Caldwell School District  
Board Office**

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal .....	1
Organizational Chart .....	5
Roster of Officials .....	6
Consultants and Advisors.....	7
 FINANCIAL SECTION.....	 8
Independent Auditors’ Report.....	9
Required Supplementary Information.....	12
Management’s Discussion and Analysis .....	13
Basic Financial Statements (Sections A and B).....	23
A. District-Wide Financial Statements.....	24
A-1 Statement of Net Position .....	25
A-2 Statement of Activities.....	27
B. Fund Financial Statements.....	29
B-1 Balance Sheet – Governmental Funds .....	30
B-2 Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds.....	32
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	34
B-4 Statement of Net Position – Proprietary Funds.....	36
B-5 Statement of Revenue, Expenses and Changes in Net Position – Proprietary Funds .....	37
B-6 Statement of Cash Flows – Proprietary Funds.....	38
Notes to the Basic Financial Statements.....	41
Required Supplementary Information .....	88
L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions .....	89
L-1 Schedule of District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System.....	89
L-2 Schedule of District Contributions – Public Employees Retirement System .....	90
L-3 Schedule of State’s Proportionate Share of the Net Pension Liability Attributable to the District – Teachers’ Pension and Annuity Fund.....	91
L-4 Schedule of State Contributions – Teachers’ Pension and Annuity Fund .....	92
L-5 Schedule of Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios.....	93

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

FINANCIAL SECTION (Cont'd)

Required Supplementary Information (Cont'd)

L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions (Cont'd)

L-6 Schedule of District's Proportionate Share of the Net Pension Liability – Board of Education Employees' Pension Fund of Essex County.....94

L-7 Schedule of District Contributions – Board of Education Employees' Pension Fund of Essex County.....95

Notes to Required Supplementary Information.....96

C. Budgetary Comparison Schedules.....99

C-1 Budgetary Comparison Schedule – General Fund.....100

C-2 Budgetary Comparison Schedule - Special Revenue Fund.....114

C-3 Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI.....115

Other Supplementary Schedules (D.-I.)

D. School Level Schedules (Not Applicable) .....117

E. Special Revenue Fund .....118

E-1 Combining Schedule of Program Revenue and Expenditures - Special Revenue Fund – Budgetary Basis.....119

E-2 Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)

F. Capital Projects Fund.....122

F-1 Summary Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budgetary Basis .....123

F-1a Schedule of Project Revenue, Expenditures, Project Balance and Project Status – Budgetary Basis – Jefferson Elementary School HVAC and Boiler Replacement Project.....124

F-1b Schedule of Project Revenue, Expenditures, Project Balance and Project Status – Budgetary Basis – Energy Savings Improvement Program.....125

G. Proprietary Funds (Enterprise Funds).....126

G-1 Combining Statement of Net Position .....127

G-2 Combining Statement of Revenue, Expenses and Changes in Fund Net Position.....128

G-3 Combining Statement of Cash Flows.....129

H. Fiduciary Activities (Not Applicable) .....130

I. Long-Term Debt.....136

I-1 Schedule of Serial Bonds .....137

I-2 Schedule of Obligations Under Capital Leases (Not Applicable) .....139

I-3 Debt Service Fund Budgetary Comparison Schedule.....140



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

STATISTICAL SECTION (UNAUDITED)

J.	Statistical Schedules (Unaudited).....	141
J-1	Net Position by Component.....	142
J-2	Changes in Net Position.....	143
J-3	Fund Balances - Governmental Funds.....	145
J-4	Changes in Fund Balances - Governmental Funds.....	146
J-5	General Fund Other Local Revenue by Source.....	148
J-6	Assessed Value and Actual Value of Taxable Property.....	149
J-7	Direct and Overlapping Property Tax Rates.....	150
J-8	Principal Property Taxpayers, Current Year and Nine Years Ago.....	152
J-9	Property Tax Levies and Collections.....	154
J-10	Ratios of Outstanding Debt by Type.....	155
J-11	Ratios of Net General Bonded Debt Outstanding.....	156
J-12	Ratios of Overlapping Governmental Activities Debt.....	157
J-13	Legal Debt Margin Information.....	158
J-14	Demographic and Economic Statistics.....	159
J-15	Principal Employers, Current Year and Nine Years Ago.....	161
J-16	Full-time Equivalent District Employees by Function/Program.....	162
J-17	Operating Statistics.....	163
J-18	School Building Information.....	164
J-19	Schedule of Required Maintenance.....	166
J-20	Insurance Schedule.....	167

SINGLE AUDIT SECTION

K.	Single Audit.....	168
K-1	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 <i>Government Auditing Standards</i> .....	169
K-2	Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance.....	171
K-3	Schedule of Expenditures of Federal Awards.....	173
K-4	Schedule of Expenditures of State Awards.....	174
K-5	Notes to the Schedules of Expenditures of Federal and State Awards.....	176
K-6	Schedule of Findings and Questioned Costs.....	178
K-7	Summary Schedule of Prior Audit Findings.....	180

INTRODUCTORY SECTION  
(UNAUDITED)

# BOARD OF EDUCATION CALDWELL-WEST CALDWELL

**Harrison School Building  
Gray Street, West Caldwell, New Jersey 07006**

**Brian P. McCarthy  
Business Administrator/Board Secretary**

**(973) 228-3360**

January 20, 2022

The Honorable President and Members of  
the Board of Education  
Caldwell-West Caldwell School District  
County of Essex, New Jersey 07006

Dear Board Members:

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

The 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 Auditor's 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, 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 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 internal control and compliance with applicable laws, regulations, contracts and grants along with findings and recommendations are included in the single audit section of this report.

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The District's enrollment was 2,623 students, based on the annual October 15, 2020 ASSA count, which is an decrease of 64 students from the previous year's enrollment.

## 2) ECONOMIC CONDITION AND OUTLOOK:

### Borough of Caldwell

The Borough of Caldwell has grown from a suburban municipality of a few homes and farms to a fine, modern community of predominantly middle-class families. The Township is located in western Essex County, and has a land area of 1.20 square miles. Single family homes predominate with a number of two and three family houses, and twenty-five apartment complexes.

The Borough has almost no vacant land remaining for the development of single family homes and its future growth is limited. A majority of the more than two hundred businesses and commercial establishments are located along Bloomfield Avenue, which bisects the Township from east to west and is a major shopping center for the area.

A well-balanced blend of historic preservation, coupled with the business community's support, should retain the chain of Caldwell's past and meet the marketing needs of the future.

### Township of West Caldwell

The Township of West Caldwell is an attractive residential community located in the northwest portion of Essex County, and has a land area of 5.28 square miles.

The Township is a community with a well-balanced economy, represented by a substantially developed industrial, commercial and residential base. The residential development of West Caldwell consists principally of single family owner-occupied homes. A Master Plan and revised Zoning Ordinance and a Land Use Procedure Ordinance provide for an orderly development of remaining land in the township and has been designed to maintain and improve its desirable residential character, as well as a strong commercial base. Areas are still available for several types of residential development as well as segregated areas for light industrial and commercial use.

## 3) MAJOR INITIATIVES:

In alignment with the district's five-year strategic plan, major initiatives in teaching in learning include early elementary literacy instruction, effective practices in inclusive education, standards-aligned assessments K-12, devices and training needed for the 1:1 initiative, and ongoing professional development in alignment with the district Comprehensive Equity Plan.

The district continued upgrading its HVAC systems and controls. Both James Caldwell High School (JCHS) and Washington School had their HVAC controls upgraded to newer systems. To date, all 7 of the district's buildings have been recently upgraded. We continue to upgrade and replace exhaust fans, and tie them into building management systems. At Wilson school, the south end retaining wall was dug to the footing, waterproofed, and a new drainage system was installed. JCHS had one of its large spaces renovated into a lecture hall/performing area. 90 lecture hall style seats were added to this area. In addition, JCHS's Tech room had its table workstations and computers replaced.

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 require estimates and judgments by management.

As a 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's management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to 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. Annual appropriated budgets are adopted for the general, special revenue and the debt service funds. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

7) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. 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 Auditors' Report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.


The Honorable President and Members of  
the Board of Education  
Caldwell-West Caldwell School District  
Page 4  
January 20, 2022

8) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Caldwell-West Caldwell School District for their concern in providing fiscal accountability to the citizens of the Township of West Caldwell and the Borough of Caldwell and thereby contributing their full support to the development and maintenance of the District's financial operation. We would like to note our appreciation for the assistance rendered by all of the District's staff who helped in the preparation of this report.

Respectfully submitted,

*Christopher Conklin*

Christopher Conklin Ed. D.  
Superintendent of Schools

A handwritten signature in cursive script, appearing to read "Brian P. McCarthy".

Brian P. McCarthy  
Business Administrator / Board Secretary

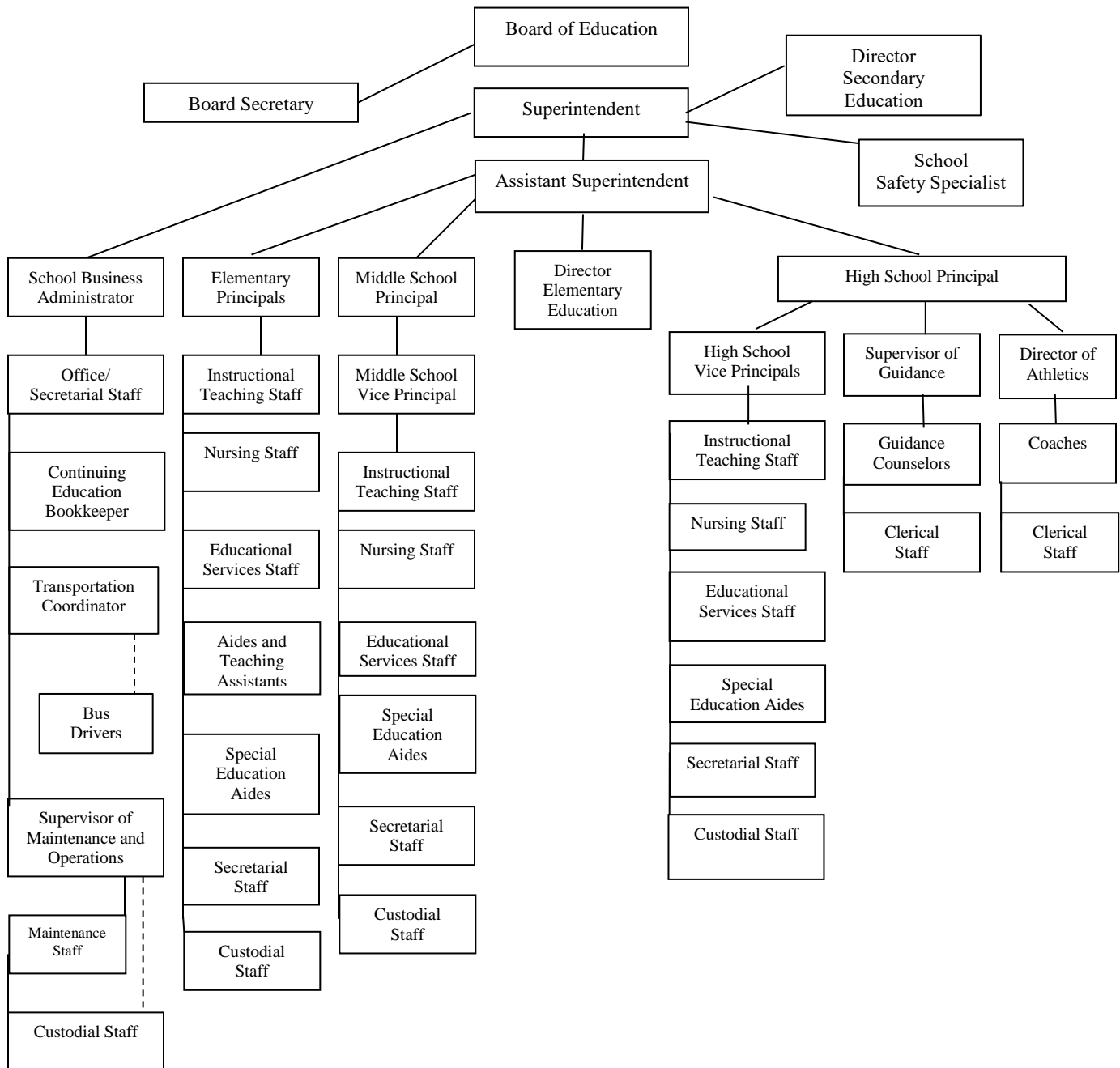
# POLICY

# CALDWELL-WEST CALDWELL BOARD OF EDUCATION

## ADMINISTRATION

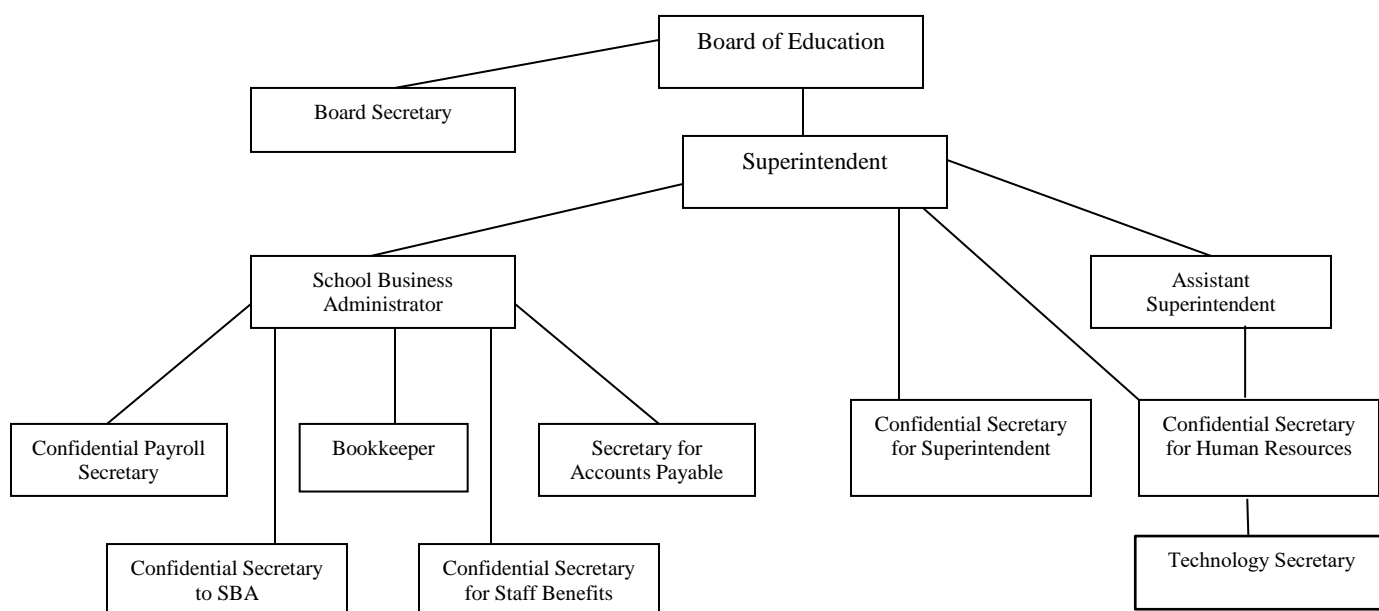
1110/page 1 of 3  
Organizational Chart

### 1110 ORGANIZATIONAL CHART



ADMINISTRATION  
1110/page 2 of 3  
Organizational Chart

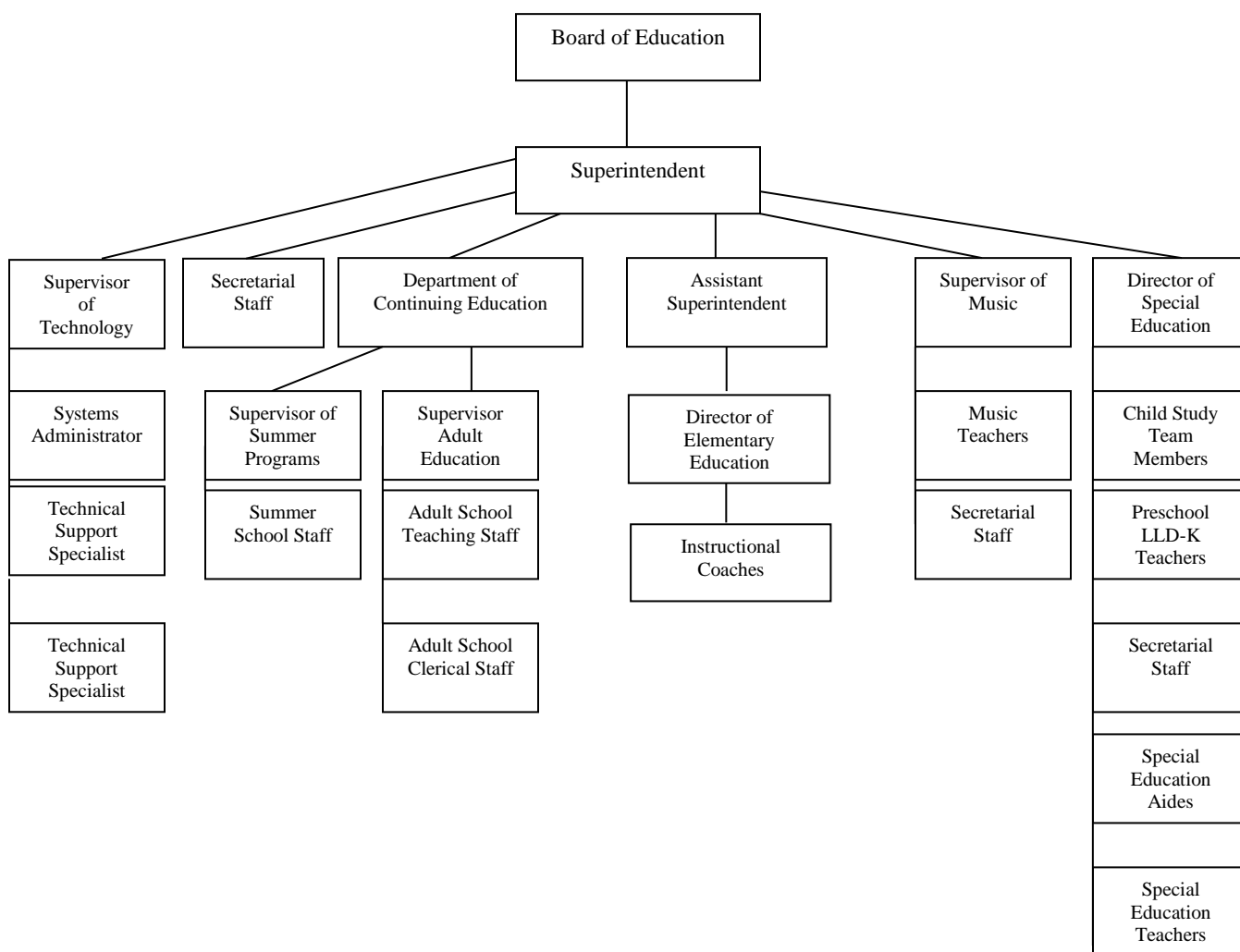
## Human Resources and Business Functions





ADMINISTRATION  
1110/page 3 of 3  
Organizational Chart

Offices of the Superintendent, Assistant Superintendent, Music, Special Education, Technology, and Continuing Education



**CALDWELL-WEST CALDWELL BOARD OF EDUCATION  
WEST CALDWELL, NEW JERSEY**

**ROSTER OF OFFICIALS**

**June 30, 2021**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Chris D'Ambola	12/31/2021
Julianne Grosso, Vice President	12/31/2021
Daniel Cipoletti, President	12/31/2022
Marie Lanfrank	12/31/2022
Chris Elko	12/31/2023
<b><u>Other Officials</u></b>	
James A. Heinegg, Superintendent	06/30/2021
Kaitlin Jones, Assistant Superintendent	
Thomas J. Lambe, Business Administrator/Board Secretary	12/31/2020
Deborah Muscara, Interim Business Administrator/Board Secretary	06/30/2021

**CALDWELL-WEST CALDWELL BOARD OF EDUCATION  
WEST CALDWELL, NEW JERSEY**

**Consultants and Advisors**

**Architect**

FKA Architects  
306 Ramapo Valley Road  
Oakland, NJ 07436

**Audit Firm**

Nisivoccia LLP  
200 Valley Road, Suite 300  
Mt. Arlington, NJ 08756-1320

**Board Attorney**

Gaccione Pomaco P.C.  
524 Union Avenue  
Belleville, NJ 07109

**Bond Attorney**

Wilentz, Goldman & Spitzer, PA  
90 Woodbridge Center Drive  
Suite 900 Box 10  
Woodbridge, NJ 07095

**Special Education Attorney**

Machado Law Group  
1 Cleveland Place  
Springfield Township, NJ 07081

**Bond Financial Advisor**

Phoenix Advisors, LLC  
4 West Park Street  
Bordentown, NJ 08505

**Official Depositories**

PNC Bank

Valley National Bank

Lakeland Bank

FINANCIAL SECTION



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

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

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

Independent Member  
BKR International

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Caldwell-West Caldwell School District  
County of Essex, 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 Caldwell-West Caldwell School District (the "District") in the County of Essex, 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 Caldwell-West Caldwell School District, in the County of Essex, 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 19 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 benefit schedules in Exhibits L-1 through L-7 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 Honorable President and Members  
of the Board of Education  
Caldwell-West Caldwell School District  
Page 3

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 January 20, 2022 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.

January 20, 2022  
Mount Arlington, New Jersey

*Nisivoccia, LLP*  
NISIVOCCIA, LLP

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

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS



**REQUIRED SUPPLEMENTARY INFORMATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

This section of Caldwell-West Caldwell 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 financial statements, which immediately follow this section.

**Overview of the Financial Statements**

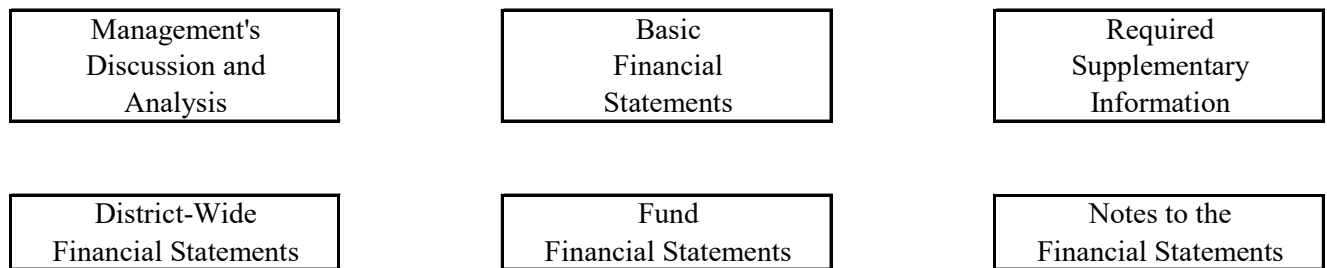
This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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 services and continuing education.
- *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 the School District's Financial Report**



**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 services and continuing education.
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>
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	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are 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 for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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, tuition 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 and continuing education 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.
- *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. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

***Fund Financial Statements***

*Notes to the Basic Financial Statements:* Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District's combined net position increased by \$6,204,949. Net position from governmental activities increased by \$6,296,814 and net position from business-type activities decreased by \$91,865. Net investment in capital assets increased by \$1,251,029, restricted net position increased by \$3,099,563, and unrestricted net position increased by \$1,854,357.

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

	Government Activities		Business-Type Activities		Total School District		Percent
	2020/21	2019/20*	2020/21	2019/20	2020/21	2019/20*	Change
<b>Assets:</b>							
Current and							
Other Assets	\$ 12,774,576	\$ 8,803,635	\$ 646,337	\$ 643,871	\$ 13,420,913	\$ 9,447,506	
Capital Assets, Net	38,973,575	39,743,150	119,846	138,139	39,093,421	39,881,289	
Total Assets	<u>51,748,151</u>	<u>48,546,785</u>	<u>766,183</u>	<u>782,010</u>	<u>52,514,334</u>	<u>49,328,795</u>	6.46%
Deferred Outflows of Resources	<u>1,682,566</u>	<u>2,162,238</u>			<u>1,682,566</u>	<u>2,162,238</u>	-22.18%
<b>Liabilities:</b>							
Other Liabilities	1,137,772	1,203,048	140,228	64,190	1,278,000	1,267,238	
Long-Term Liabilities	<u>31,465,201</u>	<u>35,004,563</u>			<u>31,465,201</u>	<u>35,004,563</u>	
Total Liabilities	<u>32,602,973</u>	<u>36,207,611</u>	<u>140,228</u>	<u>64,190</u>	<u>32,743,201</u>	<u>36,271,801</u>	-9.73%
Deferred Inflows of Resources	<u>4,479,964</u>	<u>4,450,446</u>			<u>4,479,964</u>	<u>4,450,446</u>	0.66%
<b>Net Position:</b>							
Net Investment in Capital Assets	18,258,397	16,989,075	119,846	138,139	18,378,243	17,127,214	
Restricted	9,614,626	6,515,063			9,614,626	6,515,063	
Unrestricted/(Deficit)	<u>(11,525,243)</u>	<u>(13,453,172)</u>	<u>506,109</u>	<u>579,681</u>	<u>(11,019,134)</u>	<u>(12,873,491)</u>	
Total Net Position	<u>\$ 16,347,780</u>	<u>\$ 10,050,966</u>	<u>\$ 625,955</u>	<u>\$ 717,820</u>	<u>\$ 16,973,735</u>	<u>\$ 10,768,786</u>	57.62%

\* Restated

*Changes in Net Position.* The Changes in Net Position shows the cost of program services and the revenues of the District on a comparative schedule (Figure A-4).

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**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	\$ 404,554	\$ 70,368	\$ 117,901	\$ 715,465	\$ 522,455	\$ 785,833	
Operating Grants and Contributions	15,032,598	13,219,406	319,490	88,828	15,352,088	13,308,234	
General Revenue:							
Property Taxes	48,589,849	47,221,565			48,589,849	47,221,565	
Unrestricted State and Federal Aid	1,009,177	940,252			1,009,177	940,252	
Other	152,048	366,306	415	2,449	152,463	368,755	
Total Revenue	<u>65,188,226</u>	<u>61,817,897</u>	<u>437,806</u>	<u>806,742</u>	<u>65,626,032</u>	<u>62,624,639</u>	4.79%
Expenses:							
Instruction	33,668,629	32,584,251			33,668,629	32,584,251	
Pupil & Instruction Service	11,934,068	11,939,265			11,934,068	11,939,265	
Administrative & Business	5,768,239	5,545,600			5,768,239	5,545,600	
Maintenance & Operations	4,904,030	5,817,549			4,904,030	5,817,549	
Transportation	1,045,908	1,172,549			1,045,908	1,172,549	
Other	1,570,538	1,317,763	529,671	757,055	2,100,209	2,074,818	
Total Expenses	<u>58,891,412</u>	<u>58,376,977</u>	<u>529,671</u>	<u>757,055</u>	<u>59,421,083</u>	<u>59,134,032</u>	0.49%
Inc./(Dec.) in Net Position	<u>\$ 6,296,814</u>	<u>\$ 3,440,920</u>	<u>\$ (91,865)</u>	<u>\$ 49,687</u>	<u>\$ 6,204,949</u>	<u>\$ 3,490,607</u>	77.76%

**Governmental Activities**

The financial position of the District improved significantly. However, maintaining existing programs while experiencing an increase in enrollment, combined with rising salary and benefits costs, places great demands on the District's resources.

The District continues to pursue and implement cost savings strategies in order to sustain its financial health. Some examples are:

- All schools have new LED lighting and new HVAC controls, and new boilers have been installed at Grover Cleveland Middle School. Solar panels have also been installed on the roofs of six of our schools, with solar usage beginning operations in the summer of 2020. The Energy Savings Improvement Plans (ESIP) projects produce energy savings with no additional cost to the taxpayers.
- For the sixth consecutive year, the District entered into an Interlocal Agreement with the Township of West Caldwell to share lawn cutting services.
- Continues to operate its regular education bus routes in-house, as well as all but one of our special education routes being driven by district drivers on our own buses, with the buses also used after school for Athletics.
- Transportation contracts with neighboring school districts of Essex Fells, North Caldwell, Roseland and West Essex, by which the Caldwell-West Caldwell School District transports some of their special education students to out of district schools on existing CWC routes. The district also has a transportation contract to provide buses for the West Essex School District for some of its athletics routes.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Governmental Activities**

The financial position of the District improved significantly. However, maintaining existing programs while experiencing an increase in enrollment, combined with rising salary and benefits costs, places great demands on the District's resources.

The District continues to pursue and implement cost savings strategies in order to sustain its financial health. Some examples are:

- Participation in multiple cooperative purchasing programs for district supplies.
- The District participates in several cooperative purchasing programs for construction services. We have been able to significantly increase the scope of facility improvement projects by implementing a strategy of bidding and using cooperative purchasing to procure the most favorable prices for construction projects.
- The use of state contracts for reduced pricing in purchasing.
- Participation in the ACES cooperative energy purchasing program.
- Membership in the School Alliance Insurance Fund (SAIF), a joint insurance fund comprised of dozens of school districts that provides liability, workers compensation and automobile insurance. The pooling of resources, experiences and claims with other school districts reduces the risk of the District, resulting in lower claims and more reasonable premiums.

The District will continue its practice of examining all expenses carefully and being mindful of pressure to reduce taxes while maintaining and/or expanding programs.

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	Total Cost of Services	Net Cost of Services
	2020/21	2020/21	2019/20	2019/20
Instruction	\$ 33,668,629	\$ 22,446,530	\$ 32,584,251	\$ 22,798,860
Pupil and Instruction Services	11,934,068	9,331,371	11,939,265	9,881,273
Administrative and Business	5,768,239	4,615,909	5,545,600	4,495,859
Maintenance and Operations	4,904,030	4,904,030	5,817,549	5,817,549
Transportation	1,045,908	585,882	1,172,549	775,899
Other	1,570,538	1,570,538	1,317,763	1,317,763
	<u>\$ 58,891,412</u>	<u>\$ 43,454,260</u>	<u>\$ 58,376,977</u>	<u>\$ 45,087,203</u>

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Business-Type Activities**

Net position from the District's business-type activity decreased by \$91,865. (Refer to Figure A-4). Factors contributing to these results included:

- Revenues in the Continuing Education and Food Service programs have been greatly reduced due to the COVID-19 pandemic.
- The District participates in the National School Lunch Program and received increased subsidies in 2020-21 school year under the Seamless Summer Option.

**Financial Analysis of the District's Funds**

The District's General Fund financial position increased \$4,234,198 on a fund basis primarily due to decreased expenditures associated with school openings and closures associated with the COVID-19 pandemic. The District's Special Revenue Fund financial position increased \$90,912 due to the increases in student activities and scholarships. The District's Capital Projects Fund financial position decreased \$251,126 due to continued completion of projects and cancellation of SDA grants receivable and transfer of the unexpended balance associated with a completed project.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

**Capital Asset and Long-Term Liabilities**

The District's capital assets decreased by \$787,868, or 1.98% as shown in Figure A-6. (More detailed information about the District's capital assets is presented in Note 6 to the financial statements.)

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

	Government Activities		Business-Type Activities		Total School District		Percentage
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	Change 2020/21
Sites	\$ 229,918	\$ 229,918			\$ 229,918	\$ 229,918	
Site Improvements	2,698,695	2,903,605			2,698,695	2,903,605	
Construction in Progress	2,866,476	4,892,337			2,866,476	4,892,337	
Buildings & Building Improvements	30,493,968	28,895,607			30,493,968	28,895,607	
Machinery and Equipment	2,684,518	2,821,683	\$ 119,846	\$ 138,139	2,804,364	2,959,822	
<b>Total Capital Assets, Net</b>	<b>\$ 38,973,575</b>	<b>\$ 39,743,150</b>	<b>\$ 119,846</b>	<b>\$ 138,139</b>	<b>\$ 39,093,421</b>	<b>\$ 39,881,289</b>	<b>-1.98%</b>

During the fiscal year, the District acquired or constructed \$472,150 in capital asset additions (\$178,871 from ongoing capital projects and \$293,279 from current year budgeted capital outlay) from its governmental activities and purchased \$3,146 of equipment from its business-type activities and expensed \$1,263,164 in depreciation (\$1,241,725 from its governmental activities and \$21,439 from its business-type activities).



**CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Long-term Liabilities**

The District's long-term debt decreased by \$3,539,362 or 10.11% – as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 8 to the financial statements.)

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

	Total School District		Percentage Change 2020/21
	2020/21	2019/20	
General Obligation Bonds (Financed with Property Taxes)	\$ 21,210,000	\$ 23,480,000	
Unamortized Bond Issuance Premium	268,304	357,740	
Net Pension Liabilities	9,237,849	10,380,608	
Other Long-Term Liabilities	749,048	786,215	
	<u>\$ 31,465,201</u>	<u>\$ 35,004,563</u>	-10.11%

- The District continued to pay down its bonded debt, retiring \$2,270,000 of outstanding bonds.
- Unamortized Bond Issuance Premium decreased \$89,436.
- Net Pension Liability decreased by \$1,142,759.
- Compensated absences payable decreased by a net amount of \$37,167.

**Factors Bearing on the District's Future Revenue/Expense Changes**

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

- The district is in the process of evaluating its facility needs, as it relates to enrollment trends, maintenance, upgrades, and modernization (two school buildings are over 100 years old). To that end, the district will conduct an additional demographic study in FY22, as well as hire a consultant to perform a detailed review of all schools and buildings and provide updates to its Long-Range Facilities Plan (LRFP).
- The district is evaluating and planning for the renovation of classrooms and office space in the Harrison school building. These upgrades would be largely financed through Federal grants associated with the American Rescue Plan (ARP).
- The final debt service payment for the bonds originally issued in 2008 for the 2007 referendum will be made in FY24. The district would like to position the issuance of potential new debt payments (starting in FY25), to finance potential facility upgrades, to coincide with the maturing of this existing debt.

**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 Board of Education Office, Gray Street, West Caldwell, New Jersey, 07006.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 4,253,980	\$ 597,947	\$ 4,851,927
Receivables from State Government	1,085,394	3,681	1,089,075
Receivables from Federal Government	105,102	40,361	145,463
Other Accounts Receivables	32,822		32,822
Internal Balances	7,941	(7,941)	
Inventories		12,289	12,289
Restricted Cash and Cash Equivalents	7,289,337		7,289,337
Capital Assets, Net:			
Sites (Land) and Construction in Progress	3,096,394		3,096,394
Depreciable Site Improvements, Buildings & Building Improvements and Machinery and Equipment	35,877,181	119,846	35,997,027
Total Assets	51,748,151	766,183	52,514,334
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Amount on Refunding	201,696		201,696
Deferred Outflows - Pensions	1,480,870		1,480,870
Total Deferred Outflows of Resources	1,682,566		1,682,566
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	841,133		841,133
Accrued Interest Payable	178,452		178,452
Payable to State Government	14,627		14,627
Unearned Revenue	103,560	140,228	243,788
<b>Noncurrent Liabilities:</b>			
Due Within One Year	2,449,435		2,449,435
Due Beyond One Year	29,015,766		29,015,766
Total Liabilities	32,602,973	140,228	32,743,201
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows - Pensions	4,479,964		4,479,964
Total Deferred Inflows of Resources	4,479,964		4,479,964

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
NET POSITION			
Net Investment in Capital Assets	\$ 18,258,397	\$ 119,846	\$ 18,378,243
Restricted/(Deficit) for:			
Capital Projects	4,728,639		4,728,639
Maintenance Reserve	1,700,000		1,700,000
Excess Surplus	2,321,539		2,321,539
Unemployment Compensation	164,507		164,507
Student Activities	344,146		344,146
Scholarships	355,795		355,795
Unrestricted/(Deficit)	<u>(11,525,243)</u>	<u>506,109</u>	<u>(11,019,134)</u>
Total Net Position	<u>\$ 16,347,780</u>	<u>\$ 625,955</u>	<u>\$ 16,973,735</u>

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>						
<b>Instruction:</b>						
Regular	\$ 24,557,062	\$ 13,320	\$ 6,302,595	\$ (18,241,147)		\$ (18,241,147)
Special Education	7,205,799		4,444,821	(2,760,978)		(2,760,978)
Other Special Instruction	235,377		65,150	(170,227)		(170,227)
Other Instruction	1,670,391		396,213	(1,274,178)		(1,274,178)
<b>Support Services:</b>						
Tuition	2,384,057			(2,384,057)		(2,384,057)
Student and Instruction Related Services	9,550,011	307,557	2,295,140	(6,947,314)		(6,947,314)
General Administrative Services	1,049,355		158,545	(890,810)		(890,810)
School Administrative Services	3,138,849		785,890	(2,352,959)		(2,352,959)
Central Services	986,908		207,895	(779,013)		(779,013)
Administrative Information Technology	593,127			(593,127)		(593,127)
Plant Operations and Maintenance	4,904,030			(4,904,030)		(4,904,030)
Pupil Transportation	1,045,908	83,677	376,349	(585,882)		(585,882)
Unallocated Depreciation	978,244			(978,244)		(978,244)
Interest on Long-Term Debt	592,294			(592,294)		(592,294)
<b>Total Governmental Activities</b>	<b>58,891,412</b>	<b>404,554</b>	<b>15,032,598</b>	<b>(43,454,260)</b>		<b>(43,454,260)</b>
<b>Business-Type Activities:</b>						
Continuing Education	234,790	116,282			\$ (118,508)	(118,508)
Food Service	294,881	1,619	319,490		26,228	26,228
<b>Total Business-Type Activities</b>	<b>529,671</b>	<b>117,901</b>	<b>319,490</b>		<b>(92,280)</b>	<b>(92,280)</b>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Total Primary Government	<u>\$ 59,421,083</u>	<u>\$ 522,455</u>	<u>\$ 15,352,088</u>	<u>\$ (43,454,260)</u>	<u>\$ (92,280)</u>	<u>\$ (43,546,540)</u>
General Revenues and Other Items:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				46,576,879		46,576,879
Taxes Levied for Debt Service				2,012,970		2,012,970
Federal, State and Local Aid not Restricted				1,009,177		1,009,177
Interest Earnings				24,651	415	25,066
Miscellaneous Income				186,882		186,882
Other Item - Cancellation of SDA Grant Receivable				(59,485)		(59,485)
Total General Revenues				<u>49,751,074</u>	<u>415</u>	<u>49,751,489</u>
Change in Net Position				6,296,814	(91,865)	6,204,949
Net Position - Beginning (Restated)				<u>10,050,966</u>	<u>717,820</u>	<u>10,768,786</u>
Net Position - Ending				<u>\$ 16,347,780</u>	<u>\$ 625,955</u>	<u>\$ 16,973,735</u>

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

FUND FINANCIAL STATEMENTS



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 3,889,201		\$ 364,779		\$ 4,253,980
Interfund Receivable	83,614	\$ 3,750			87,364
Receivables From State Government	1,085,394				1,085,394
Receivables From Federal Government		105,102			105,102
Other Accounts Receivable		32,822			32,822
Restricted Cash and Cash Equivalents	6,593,146	696,191			7,289,337
<b>Total Assets</b>	<b>\$ 11,651,355</b>	<b>\$ 837,865</b>	<b>\$ 364,779</b>	<b>\$ -0-</b>	<b>\$ 12,853,999</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Interfund Payable		\$ 7,670	\$ 71,653	\$ 100	\$ 79,423
Accounts Payable	\$ 191,716	12,067			203,783
Payable to State Government		14,627			14,627
Unearned Revenue		103,560			103,560
<b>Total Liabilities</b>	<b>191,716</b>	<b>137,924</b>	<b>71,653</b>	<b>100</b>	<b>401,393</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	4,728,639				4,728,639
Maintenance Reserve	1,700,000				1,700,000
Excess Surplus - 2022-2023	1,727,363				1,727,363
Excess Surplus - 2021-2022	594,176				594,176
Unemployment Compensation	164,507				164,507
Student Activities		344,146			344,146
Scholarships		355,795			355,795
Capital Projects			293,126		293,126

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances:					
Assigned:					
Year-end Encumbrances	\$ 288,279				\$ 288,279
Unassigned/(Deficit)	2,256,675			\$ (100)	2,256,575
Total Fund Balances/(Deficit)	11,459,639	\$ 699,941	\$ 293,126	\$ (100)	12,452,606
Total Liabilities and Fund Balances	\$ 11,651,355	\$ 837,865	\$ 364,779	\$ - 0 -	

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

Capital Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	\$ 38,973,575
Bond Issuance Premiums are Reported as Revenue in the Governmental Funds in the Year the Bonds are Sold.	(268,304)
The Deferred Amount on the Refunding is not Reported as an Expenditure in the Governmental Funds in the Year of the Expenditure.	201,696
Interest on Long-Term Debt is not accrued in Governmental Funds, but rather is recognized as an expenditure when due.	(178,452)
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	739,962
Deferred Inflows	(4,479,964)
Prepaid District Contribution Subsequent to the Measurement Date - Essex County Pension	103,558
Long-Term Liabilities, including Bonds Payable, Net Pension Liability for PERS and the Plan, are not Due and Payable in the Current Period and therefore are not Reported as Liabilities in the Governmental Funds.	(31,196,897)
Net Position of Governmental Activities (Exhibit A-1)	\$ 16,347,780

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

CALDWELL-WEST CALDWELL 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
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 46,576,879			\$ 2,012,970	\$ 48,589,849
Tuition from Other LEAs	13,320				13,320
Transportation Fees From Individuals	83,677				83,677
Rents & Royalties	5,214				5,214
Interest Earned on Capital Reserve Funds	8,190				8,190
Other Restricted Miscellaneous Revenue	328	\$ 307,557			307,885
Unrestricted Miscellaneous Revenue	196,256	34,788	\$ 1,545		232,589
Total - Local Sources	46,883,864	342,345	1,545	2,012,970	49,240,724
State Sources	11,532,811	109,956	29,390	720,479	12,392,636
Federal Sources	32,818	1,174,108			1,206,926
Total Revenues	58,449,493	1,626,409	30,935	2,733,449	62,840,286
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	14,986,855	554,729			15,541,584
Special Education Instruction	3,765,936	645,122			4,411,058
Other Special Instruction	160,154				160,154
School-Sponsored/Other Instruction	1,212,920				1,212,920
Support Services and Undistributed Costs:					
Tuition	2,384,057				2,384,057
Student/Other Instruction Related Services	6,729,680	335,646			7,065,326
General Administrative Services	733,290				733,290
School Administrative Services	1,916,510				1,916,510
Central Services	596,266				596,266
Administrative Information Technology	590,247				590,247

CALDWELL-WEST CALDWELL 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
EXPENDITURES:					
Plant Operations and Maintenance	\$ 4,132,324				\$ 4,132,324
Student Transportation	868,286				868,286
Allocated Benefits	4,751,628				4,751,628
Unallocated Benefits	11,116,892				11,116,892
Capital Outlay	313,955		\$ 178,871		492,826
Debt Service:					
Principal				\$ 2,110,000	2,110,000
Interest and Other Charges				628,300	628,300
Total Expenditures	<u>54,259,000</u>	<u>\$ 1,535,497</u>	<u>178,871</u>	<u>2,738,300</u>	<u>58,711,668</u>
Excess/(Deficit) of Revenue Over/(Under) Expenditures	4,190,493	90,912	(147,936)	(4,851)	4,128,618
Other Financing Sources/(Uses):					
Transfers	43,705		(43,705)		
Cancellation of SDA Grant Receivable			(59,485)		(59,485)
Total Other Financing Sources/(Uses)	<u>43,705</u>		<u>(103,190)</u>		<u>(59,485)</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	4,234,198	90,912	(251,126)	(4,851)	4,069,133
Fund Balance - July 1 (Restated)	<u>7,225,441</u>	<u>609,029</u>	<u>544,252</u>	<u>4,751</u>	<u>8,383,473</u>
Fund Balance/(Deficit) - June 30	<u>\$ 11,459,639</u>	<u>\$ 699,941</u>	<u>\$ 293,126</u>	<u>\$ (100)</u>	<u>\$ 12,452,606</u>

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, 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)		\$ 4,069,133
<p>Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:</p>		
<p>Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.</p>		
Depreciation Expense	\$ (1,241,725)	
Capital Outlays	472,150	(769,575)
<p>In the Statement of Activities, interest on Long-Term Liabilities in the Statement of Activities is accrued, regardless of when due. In the Governmental Funds, interest is reported when due. When 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 (+).</p>		
		19,279
<p>Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.</p>		
		2,270,000
<p>The governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
		89,436

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The governmental funds report the effect of the deferred amount on refunding relative to an advance refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (-).	\$ (67,232)
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	1,142,759
Change in Deferred Inflows	(29,518)
Change in Deferred Outflows	(456,895)
Change in Prepaid District Contribution Subsequent to the Measurement Date - Pensions	(7,740)
In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds; however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	<u>37,167</u>
Change in Net Position of Governmental Activities (Exhibit A-2)	<u><u>\$ 6,296,814</u></u>

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Major Funds		
	Continuing Education	Food Service	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 424,943	\$ 173,004	\$ 597,947
Intergovernmental Accounts Receivable:			
State		3,681	3,681
Federal		40,361	40,361
Inventories		12,289	12,289
Total Current Assets	424,943	229,335	654,278
Non-Current Assets:			
Capital Assets		536,626	536,626
Less: Accumulated Depreciation		(416,780)	(416,780)
Total Non-Current Assets		119,846	119,846
Total Assets	424,943	349,181	774,124
<u>LIABILITIES:</u>			
Current Liabilities:			
Interfund Payable- Special Revenue Fund		3,750	3,750
Interfund Payable - General Fund	474	3,717	4,191
Unearned Revenue - Prepaid Sales	83,799	52,969	136,768
Unearned Revenue - Donated Commodities		3,460	3,460
Total Current Liabilities	84,273	63,896	148,169
<u>NET POSITION:</u>			
Investment in Capital Assets		119,846	119,846
Unrestricted	340,670	165,439	506,109
Total Net Position	\$ 340,670	\$ 285,285	\$ 625,955

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Major Funds		
	Continuing Education	Food Service	
Operating Revenue:			
Daily Sales - Reimbursable Programs		\$ 1,619	\$ 1,619
Charges for Services:			
Program Fees	\$ 116,282		116,282
Total Operating Revenue	116,282	1,619	117,901
Operating Expenses:			
Cost of Sales - Reimbursable Programs		118,486	118,486
Salaries, Benefits & Payroll Taxes	191,862	91,600	283,462
Purchased Professional and Technical Services		32,640	32,640
Supplies and Materials	27,667	22,259	49,926
Miscellaneous Expense	15,261	8,457	23,718
Depreciation Expense		21,439	21,439
Total Operating Expenses	234,790	294,881	529,671
Operating (Loss)	(118,508)	(293,262)	(411,770)
Non-Operating Revenue:			
Local Sources:			
Interest Income		415	415
State Sources:			
COVID-19 - Seamless Summer Option		13,877	13,877
Federal Sources:			
Food Distribution Program		20,526	20,526
COVID-19 - Seamless Summer Option		285,087	285,087
Total Non-Operating Revenue		319,905	319,905
Change in Net Position	(118,508)	26,643	(91,865)
Net Position - Beginning of Year	459,178	258,642	717,820
Net Position - End of Year	\$ 340,670	\$ 285,285	\$ 625,955

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



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds		Total Enterprise Funds
	Major Funds		
	Continuing Education	Food Service	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 195,341	\$ 903	\$ 196,244
Payments to Food Service Contractors		(154,006)	(154,006)
Payments for Salaries, Payroll Taxes and Benefits	(191,862)	(91,600)	(283,462)
Payments to Suppliers	(42,928)		(42,928)
Net Cash (Used for) Operating Activities	(39,449)	(244,703)	(284,152)
Cash Flows from Investing Activities:			
Interest Income		415	415
Net Cash Provided by Investing Activities		415	415
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets		(3,146)	(3,146)
Net Cash Used for Capital and Relating Financing Activities		(3,146)	(3,146)
Cash Flows from Noncapital Financing Activities:			
State Sources		10,223	10,223
Federal Sources		246,449	246,449
Net Cash Provided by Noncapital Financing Activities		256,672	256,672
Net Increase/(Decrease) in Cash and Cash Equivalents	(39,449)	9,238	(30,211)
Cash and Cash Equivalents, July 1	464,392	163,766	628,158
Cash and Cash Equivalents, June 30	\$ 424,943	\$ 173,004	\$ 597,947
Reconciliation of Operating (Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating (Loss)	\$ (118,508)	\$ (293,262)	\$ (411,770)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation		21,439	21,439
Food Distribution Program		20,526	20,526
Changes in Assets and Liabilities:			
Decrease in Inventory		7,005	7,005
Increase in Unearned Revenue -			
Prepaid Sales	79,059	424	79,483
Donated Commodities		305	305
Net Cash (Used for) Operating Activities	\$ (39,449)	\$ (244,703)	\$ (284,152)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund Received U.S.D.A. Donated Commodities through the Food Distribution Program Valued at \$20,831 and Utilized Commodities Valued at \$20,526.

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 Caldwell-West Caldwell 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 government 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. 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 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's Food Service and Continuing Education programs. The Food Service and Continuing Education programs are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students and community on a continuing basis are financed or recovered primarily through user charges.

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 the Governmental Funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget for the fiscal year ended June 30, 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 budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the 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 last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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)

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

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 58,457,427	\$ 1,548,969
Differences - 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		(60,738)
Prior Year Encumbrances		138,178
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	171,335	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(179,269)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 58,449,493	\$ 1,626,409
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 54,259,000	\$ 1,458,057
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		(60,738)
Prior Year Encumbrances		138,178
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 54,259,000	\$ 1,535,497

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	Capital Projects Fund Revenue
Revenue (Budgetary Basis)	\$ 1,545
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Revenue/Receivable Recognized on the GAAP Basis	29,390
Revenue per Governmental Funds (GAAP)	\$ 30,935

E. Cash and Cash Equivalents and Investments

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

The 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 the 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 17:9-41et 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 market value of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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

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 fund. 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.

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, 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 fund 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 are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

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

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 years
Site Improvements	20 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the Fund financial statements, capital assets used in Governmental fund operations are accounted for as capital outlay expenditures in the Governmental Funds upon acquisition. Capital assets are not capitalized, and the 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 premium and discounts are amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

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

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 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 and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. The District's various employee contracts/agreements permit 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 various employee contracts/agreements.

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

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 Special Revenue Fund.

P. Fund Balance Appropriated:

General Fund: Of the \$11,459,639 General Fund balance at June 30, 2021, \$288,279 is assigned for year-end encumbrances; \$4,728,639 is restricted in the capital reserve account; \$1,700,000 is restricted in the maintenance reserve account; \$1,727,363 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ending June 30, 2023; \$594,176 is restricted as prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2022; \$164,507 is restricted for unemployment compensation and \$2,256,675 is unassigned, which is \$179,269 less than the calculated unassigned fund balance on the budgetary basis due to the last two state aid payments (which are not recognized on the GAAP basis until the fiscal year ended June 30, 2022).

Special Revenue Fund: The Special Revenue Fund balance at June 30, 2021 is \$699,941 and is restricted for student activities and scholarships.

Capital Projects Fund: The \$293,126 fund balance in the Capital Projects Fund at June 30, 2021 is restricted.

Debt Service Fund: The \$100 deficit in fund balance in the Debt Service Fund at June 30, 2021 is unassigned.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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

P. Fund Balance Appropriated: (Cont'd)

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for 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 at June 30, 2021 as indicated above.

P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last 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 last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last 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 last two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments noted above.

Q. Deficit Net Position

The District has a deficit in unrestricted net position of \$11,525,243 in governmental activities, which is primarily due to the accrual of compensated absences payable, unamortized bond premiums, net pension liability and the related deferred inflows and outflows. The District has a \$100 deficit in unassigned fund balance in the Debt Service Fund of at June 30, 2021 which will be raised in the District's 2022-2023 budget. These deficits do not indicate that the District is experiencing financial difficulties and is a permitted practice under generally accepted accounting principles.

R. 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. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows of resources at June 30, 2021 for Pensions. The District had deferred outflows of resources at June 30, 2021 for the Deferred Amount on Bond Refunding, and Pensions.

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

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

R. Net Position (Cont'd):

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.

S. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, a capital reserve, a maintenance reserve, unemployment compensation, student activities and scholarships and the Capital Projects Fund.

The 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 no committed resources 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 year-end encumbrances in the General Fund at June 30, 2021.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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

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. These revenues are sales for Food Service, and program fees for Continuing Education. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

V. Management Estimates:

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

W. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of New Jersey Public Employees' Retirement System (PERS), the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and the Board of Education Employees' Pension Fund of Essex County (the Plan) and additions to/deductions from the PERS's, the TPAF's and the Plan's net position have been determined on the same basis as they are reported by the PERS, the TPAF and the Plan. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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)

- (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
- (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
- (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Restricted Cash and Cash Equivalents				Scholarships	Cash and Cash Equivalents	Total
	Capital Reserve	Maintenance Reserve	Unemploy- ment	Student Activities			
Checking/Money Market Accounts	\$4,728,639	\$1,700,000	\$ 164,507	\$ 340,396	\$ 355,795	\$4,851,927	\$12,141,264
	<u>\$4,728,639</u>	<u>\$1,700,000</u>	<u>\$ 164,507</u>	<u>\$ 340,396</u>	<u>\$ 355,795</u>	<u>\$4,851,927</u>	<u>\$12,141,264</u>

During the period ended June 30, 2021, the District did not hold any investments other than certificates of deposit. The carrying amount of the Board's cash and cash equivalents at June 30, 2021, was \$12,141,264 and the bank balance was \$11,741,508.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the District by inclusion of \$200,000 on June 25, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at 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.

Beginning Balance, July 1, 2020	\$ 3,678,289
Add: Interest Earnings	8,190
Return of Unexpended Balance from Capital Projects Fund	42,160
Transfer from Unassigned Fund Balance as per Board Resolution - June 2021	1,000,000
	\$ 4,728,639
Ending Balance, June 30, 2021	\$ 4,728,639

The balance in the capital reserve account at June 30, 2021 does not exceed the local support costs of uncompleted capital projects in the District’s approved LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$100,000 was established by Board resolution on June 8, 2015. 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 fiscal year in the advertised recapitulation of balances of the subsequent fiscal year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

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

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

Beginning Balance, July 1, 2020	\$ 1,200,000
Add: Transfer from Unassigned Fund Balance as per Board Resolution - June 2021	<u>500,000</u>
Ending Balance, June 30, 2021	<u><u>\$ 1,700,000</u></u>

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)	\$ 229,918			\$ 229,918
Construction in Progress	4,892,337	\$ 178,871	\$ (2,204,732)	2,866,476
Total Capital Assets Not Being Depreciated	<u>5,122,255</u>	<u>178,871</u>	<u>(2,204,732)</u>	<u>3,096,394</u>
Capital Assets Being Depreciated:				
Site Improvements	6,830,362			6,830,362
Buildings and Building Improvements	47,447,584		2,204,732	49,652,316
Machinery and Equipment	9,254,239	293,279	(123,307)	9,424,211
Total Capital Assets Being Depreciated	<u>63,532,185</u>	<u>293,279</u>	<u>2,081,425</u>	<u>65,906,889</u>
Governmental Activities Capital Assets	<u>68,654,440</u>	<u>472,150</u>	<u>(123,307)</u>	<u>69,003,283</u>
Less Accumulated Depreciation for:				
Site Improvements	(3,926,757)	(204,910)		(4,131,667)
Buildings and Building Improvements	(18,551,977)	(606,371)		(19,158,348)
Machinery and Equipment	(6,432,556)	(430,444)	123,307	(6,739,693)
	<u>(28,911,290)</u>	<u>(1,241,725)</u>	<u>123,307</u>	<u>(30,029,708)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 39,743,150</u></u>	<u><u>\$ (769,575)</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 38,973,575</u></u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 533,480	\$ 3,146		\$ 536,626
Less: Accumulated Depreciation	<u>(395,341)</u>	<u>(21,439)</u>		<u>(416,780)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 138,139</u>	<u>\$ (18,293)</u>	<u>\$ -0-</u>	<u>\$ 119,846</u>

During the fiscal year, the District acquired or constructed \$475,296 in capital asset additions (\$472,150 from its governmental activities and \$3,146 from its business-type activities) and expensed \$1,263,164 in depreciation (\$1,241,725 from its governmental activities and \$21,439 from its business-type activities).

As of June 30, 2021, the District has \$2,866,476 in active construction in progress.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 24,259
Special Education Instruction	5,325
Student and Other Instruction Related Services	2,704
General Administration	5,407
School Administration	37,853
Central Services	5,407
Administrative Information Technology	2,704
Operations and Maintenance of Plant	39,379
Student Transportation	140,443
Unallocated	978,244
	<u>\$ 1,241,725</u>

NOTE 7. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2021, the District made transfers to capital outlay accounts in the amount of \$142,594 for equipment which did not require County Superintendent approval and \$6,750 for construction services which required County Superintendent approval.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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	Accrued	Retired	Balance 6/30/2021
Serial Bonds Payable	\$ 23,480,000		\$ 2,270,000	\$ 21,210,000
Unamortized Bond Issuance Premium	357,740		89,436	268,304
Net Pension Liability:				
PERS	9,712,606		989,765	8,722,841
Essex County	668,002		152,994	515,008
Compensated Absences Payable	786,215	\$ 153,407	190,574	749,048
	<u>\$ 35,004,563</u>	<u>\$ 153,407</u>	<u>\$ 3,692,769</u>	<u>\$ 31,465,201</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.

On March 19, 2015, the District issued serial bonds in the amount of \$18,205,000 to finance the referendum project approved by the voters in December of 2014. The bonds were issued with interest rates ranging from 2.50% to 3.00%. The bonds mature on March 15, 2017 through 2033 and will be paid from the Debt Service Fund.

On February 17, 2016, the District issued refunding school bonds of \$7,350,000 with interest rates ranging from 2.00% to 4.00% to refund \$7,435,000 of 2008 school bonds with interest rates ranging from 4.125% to 5.000%. The bonds mature on September 1, 2017 through 2024 and are non-callable and will be paid from the Debt Service Fund. The net proceeds from the issuance of the refunding bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the 2008 school bonds were called on September 1, 2018. The refunding met the requirements of an in-substance debt defeasance and the school bonds were removed from the School's government-wide financial statements.

As a result of the refunding, the District realized a total of \$497,227 in cash savings over the life of the bond issue. On a net present value basis, the savings equate to \$462,753, or 6.30%, of the bonds refunded.

On May 16, 2018, the District issued energy savings obligation refunding bonds in the amount of \$2,800,000 to finance the Energy Savings Improvement Program (ESIP). The bonds were issued with interest rates ranging from 2.000% to 5.500%. The bonds mature on July 15, 2019 through 2033 and July 15, 2026 is the first optional redemption date at 100% of par and will be paid from the General Fund. The energy savings obligation refunding bonds were issued to fund the implementation of the District's energy savings improvement plan ("ESIP"), entailing various permitted energy conservation measures under the ESIP Law, at school district facilities.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

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

A. Bonds Payable: (Cont'd)

The ESIP Law (P.L. 2009, c. 4) allowed the District to issue energy savings obligation refunding bonds without voter approval to fund certain improvements that result in reduced energy use, facilities for production of renewable energy or water conservation improvements (collectively, "ECMs"); provided that the value of the savings will cover the cost of the ECMs. The ESIP law provides, however, that notwithstanding any law to the contrary, energy savings obligation refunding bonds shall not be excepted from any budget or school levy limitation otherwise provided by law, and shall be funded through appropriations in the General Fund annual budget, on the basis that the costs of implemented energy conservation measures should be fully offset by energy savings to be generated by such measures (on both an annual and aggregated basis).

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

Purpose	Final Maturity Date	Interest Rate	Amount
School Bonds	03/15/33	2.75-3.00%	\$ 13,700,000
Refunding School Bonds	09/01/24	4.00%	5,020,000
Energy Savings Improvement Program Bonds	07/15/33	4.00-5.50%	2,490,000
			<u>\$ 21,210,000</u>

Principal and interest due on serial bonds outstanding will be liquidated through the Debt Service Fund and the Energy Savings Improvement Program Bonds will be liquidated through the General Fund are as follows:

Fiscal Year Ending June 30,	Bonds		
	Principal	Interest	Total
2022	\$ 2,360,000	\$ 679,900	\$ 3,039,900
2023	2,385,000	597,475	2,982,475
2024	2,425,000	514,225	2,939,225
2025	2,395,000	438,100	2,833,100
2026	1,235,000	385,475	1,620,475
Thereafter 5 Years (2027-2031)	6,940,000	1,298,950	8,238,950
Thereafter (2032-2034)	3,470,000	189,225	3,659,225
	<u>\$ 21,210,000</u>	<u>\$ 4,103,350</u>	<u>\$ 25,313,350</u>

B. Capital Leases Payable:

The District did not have any Capital Leases Payable at June 30, 2021.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

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

C. Compensated Absences Payable:

The liability for compensated absences of the Governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds on June 30, 2021 is \$-0- and is shown separately from the long-term portion of compensated absences of \$749,048. The entire compensated absences balance is recorded in long-term liabilities of the governmental funds and will be liquidated through the General Fund.

There is no liability for compensated absences in the Proprietary fund types.

D. 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 \$8,722,841. See Note 10 for further information on the PERS.

The Board of Education Employees' Pension Fund of Essex County's (the Plan) net pension liability of the governmental fund types are 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 \$515,008. See Note 10 for further information on the Plan.

E. 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 \$89,435 and is separated from the long-term liability balance of \$178,869.

NOTE 9. OPERATING LEASES

The District has commitments to lease copying equipment under operating leases which expire in 2021 through 2026. Total operating lease payments made during the year ended June 30, 2021 were \$78,177. Future minimum lease payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
June 30, 2022	\$ 76,812
June 30, 2023	68,900
June 30, 2024	61,236
June 30, 2025	52,672
June 30, 2026	<u>21,775</u>
Total future minimum lease payments	<u>\$ 281,395</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS

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

A. Public Employees’ Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$585,155 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's liability was \$8,722,841 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 0.0535%, which was a decrease of 0.0004% from its proportion measured as of June 30, 2019.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2021, the District recognized pension expense of (\$80,265). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2016	5.57	\$ 282,979	
	2017	5.48		\$ (825,688)
	2018	5.63		(810,058)
	2019	5.21		(643,302)
	2020	5.16		(1,373,288)
				<u>282,979</u>
Changes in Proportion	2016	5.57		(40,955)
	2017	5.48		(249,297)
	2018	5.63		(51,107)
	2019	5.21		(125,095)
	2020	5.16		(75,045)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2017	5.00	(106,741)	
	2018	5.00	(98,996)	
	2019	5.00	23,957	
	2020	5.00	479,934	
				<u>298,154</u>
Difference Between Expected and Actual Experience	2016	5.57	8,588	
	2017	5.48	24,556	
	2018	5.63		(30,848)
	2019	5.21	49,174	
	2020	5.16	76,511	
				<u>158,829</u>
District Contribution Subsequent to the Measurement Date	2020	1.00	<u>637,350</u>	
			<u>\$ 1,377,312</u>	<u>\$ (4,224,683)</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and 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	\$ (1,094,557)
2022	(997,903)
2023	(570,276)
2024	(230,610)
2025	(49,876)
	\$ (2,943,222)

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.

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 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. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 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	\$ 10,956,277	\$ 8,722,841	\$ 6,791,990

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](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 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 member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2021, the State of New Jersey contributed \$5,280,970 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$7,285,598.

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

At June 30, 2021, the State's proportionate share of the net pension liability associated with the District was \$117,161,460. 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 0.178%, which was a decrease of 0.004% 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 to the District		<u>117,161,460</u>
Total	\$	<u><u>117,161,460</u></u>

For the fiscal year ended June 30, 2020, the State recognized pension expense on behalf of the District in the amount of \$7,285,598 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2021 financial statements.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

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	1,411,170,422	
			<u>7,815,939,253</u>	<u>14,241,964,752</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		7,520,890
			<u>986,767,511</u>	<u>182,357,860</u>
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	(335,285,618)
	<u>\$ (4,965,440,613)</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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%

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.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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%

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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 Associated with the District	\$ 137,619,856	\$ 117,161,460	\$ 100,174,196

Pension Plan Fiduciary Net Position

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.

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 \$30,863 for the fiscal year ended June 30, 2021. Employee contributions to DCRP amounted to \$56,583 for the year ended June 30, 2021

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan)

Plan Description

The Board of Education Employees' Pension Fund of Essex County (the "Plan"), is a multiple-employer contributory defined benefit pension plan that provides pension and life insurance benefits to employees of the Boards of Education within Essex County employed before July 1, 1981, except temporary employees and employees eligible for coverage under any New Jersey State administered pension plan created under prior New Jersey laws.

The plan became effective April 16, 1929. Pursuant to New Jersey Public Law enacted in 1980, members were given the option to transfer their membership in the Plan to the PERS. Approximately 2,775 members, 58% of the membership, elected to transfer to PERS effective July 1, 1981. The Plan is closed to new entrants.

The plan is not subject to filing requirements of the Employee Retirement Income Security Act of 1974 (ERISA) and members' accrued benefits are not guaranteed by the Pension Benefit Guaranty Corporation (PBGC).

Plan Membership

At June 30, 2021, pension plan membership consisted of the following:

	2021
Retirees and beneficiaries currently receiving benefits	435
Active Fund members	9
Inactive Fund members	7
Total	451
Number of participating employers (Boards)	17

Benefits Provided

The Plan provides for service retirement, a special veterans benefit, early retirement, disability retirement and deferred (vested) retirement benefits.

Contributions

Contributions are made by the members at 3%, the maximum contribution rate required by statute, of their annual compensation. Contributions made by the Boards are determined annually based upon actuarial valuations. The Boards are required to reimburse the Plan for administrative expenses and cost of living increases associated with its retirees. Plan provisions and contribution requirements are established by New Jersey state statute. District contributions to the Plan amounted to \$111,298 for fiscal year 2021.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

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 \$515,008 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. 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, 2021, the District's proportion was 2.39%, which was a decrease of 0.12% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the District recognized pension expense of \$124,811. At June 30, 2021, the District reported deferred outflows and inflows of resources related to pension from the sources noted in the below table.

	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		\$ (18,352)
2018	5		(5,560)
2019	5		(23,557)
2020	5		(37,160)
2021	5		(170,652)
			(255,281)
District Contribution Subsequent to the			
Measurement Date			
	1	\$ 103,558	
		\$ 103,558	\$ (255,281)

Amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2022	\$ (72,405)
2023	(54,053)
2024	(51,273)
2025	(43,420)
2026	(34,130)
	\$ (255,281)

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2021. This actuarial valuation used the actuarial assumptions on the following page, applied to all periods in the measurement.

Inflation Rate	2.00%
Salary Increases	3.00%
Investment Rate of Return, net of Plan investment expense, including inflation	5.00%
Cost of Living Adjustments ("COLA")	2.00%

Mortality Rates:

Active members, inactive members and healthy retirees:

110% of PubG-2010 mortality tables with MP-2018 mortality projection, in 2021.

Disabled retirees:

110% of PubNS-2010 mortality tables with MP-2018 mortality projection, in 2021.

The retirement rates were extended from 100% at age 67 and older to 20% at ages 67 through 79 and 100% at age 80 or older.

Long Term Expected Rate of Return

The long-term rate of return on pension plan investments 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 weighing 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 including in the Plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Real Rate of Return *</u>
U.S. Fixed Income	0.50%
U.S. Domestic Equity	6.65%

\* - Net of 2.0% inflation assumption

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

D. Board of Education Employees' Pension Fund of Essex County (the Plan) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 5.00% for the year ended June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the actuarially determined amount, including the reimbursement of administrative expenses and COLA payments. 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 participants. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of 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, 2021 calculated using the discount rate of 5.00%, 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, 2021		
	At 1% Decrease (4.00%)	At Current Discount Rate (5.00%)	At 1% Increase (6.00%)
District's proportionate share of the Net Pension Liability	\$ 788,389	\$ 515,008	\$ 278,637

Pension Plan Fiduciary Net Position

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

NOTE 11. 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. Health Benefits are provided by Horizon Blue Cross Blue Shield.

Property and Liability Insurance

The Caldwell-West Caldwell School District is a member of the School Alliance Insurance Fund (the "Fund"). 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

The Fund 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 Fund are elected.

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

Selected, summarized financial information for the Fund as of June 30, 2021 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	<u>\$ 52,863,732</u>
Net Position	<u>\$ 20,991,515</u>
Total Revenue	<u>\$ 42,696,854</u>
Total Expenses	<u>\$ 42,245,248</u>
Change in Net Position	<u>\$ 451,606</u>
Members Dividends	<u>\$ -0-</u>

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

Public Entity Group Administrative Services  
51 Everett Drive  
Suite B-40  
West Windsor, NJ 08550

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s 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-	\$ 328	\$ 135,093	\$ 99,732	\$ 164,507
2019-2020	-0-	1,246	94,032	98,939	128,818
2018-2019	-0-	2,103	74,197	64,392	132,479

NOTE 12. 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 13. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 83,614	
Special Revenue Fund	3,750	\$ 7,670
Capital Projects Fund		71,653
Debt Service Fund		100
Enterprise Fund - Food Service		7,467
Enterprise Fund - Continuing Education		474
	<u>\$ 87,364</u>	<u>\$ 87,364</u>

The interfund payable in the Special Revenue Fund due to the General Fund is for cash flow purposes awaiting the collection of federal grants receivable. The interfund payable in the Capital Projects Fund represents interest earnings that are due to the General Fund. The interfund payable in the Continuing Education Fund represents cash advanced in the prior year. The interfund receivable in the Special Revenue Fund is a deposit error due from Food Service Fund. The interfund payable in the Food Service Fund is also for an overpayment by the General Fund of government reimbursements turned over to the Food Service Fund.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 14. 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 for the 403(b) plans are as follows:

Variable Annuity Life (VALIC)	NJ Pension Supplemental Annuity
AXA Equivest	Vanguard Group
Penserv	

AXA Equivest and Vanguard Group are the plan administrators for the District's Internal Revenue Code Section 457 plans.

NOTE 15. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year.

The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10. Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 16. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 16. CONTINGENT LIABILITIES (Cont'd)

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:

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 288,279	\$ 60,738	\$ 349,017

On the District's Governmental Funds Balance Sheet as of June 30, 2021, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund. Encumbrances in the Special Revenue Fund of \$60,738 are not recognized and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

NOTE 17. ACCOUNTS PAYABLE

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

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities
	General Fund	Special Revenue Fund		
Vendors	\$ 147,960	\$ 12,067		\$ 160,027
Payroll Deductions and Withholdings	43,756			43,756
Due to the State of New Jersey			\$ 637,350	637,350
	\$ 191,716	\$ 12,067	\$ 637,350	\$ 841,133

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 18. 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>.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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.

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	\$ 79,033,940
Changes for Year:	
Service Cost	3,059,772
Interest on the Total OPEB Liability	3,136,760
Changes of Assumptions	1,051,621
Differences between Expected and Actual Experience	(13,650,304)
Gross Benefit Payments by the State	(2,165,088)
Contributions from Members	64,179
	(8,503,060)
Net Changes	(8,503,060)
Balance at June 30, 2019	\$ 70,530,880

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 18. 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	\$ 83,324,841	\$ 70,530,880	\$ 60,368,059

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	\$ 58,114,301	\$ 70,530,880	\$ 86,967,881

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 \$1,876,532 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 18. 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 State 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		\$ 8,211,221
	2018	9.51		7,062,761
	2019	9.29	\$ 938,422	
			<u>938,422</u>	<u>15,273,982</u>
Differences Between Expected and Actual Experience	2018	9.51		6,676,507
	2019	9.29		11,045,279
				<u>17,721,786</u>
Changes in Proportion	N/A	N/A	1,394,099	1,293,350
			<u>\$ 2,332,521</u>	<u>\$ 34,289,118</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	\$ (4,304,164)
2021	(4,304,164)
2022	(4,304,164)
2023	(4,304,164)
2024	(4,304,164)
Thereafter	<u>(10,536,526)</u>
	<u>\$ (32,057,346)</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

NOTE 19. PRIOR YEAR ADJUSTMENT

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 and Scholarships accounts are now reported in the Special Revenue Fund. The ending balances as of June 30, 2020 were restated due to this implementation as follows:

	Balance 6/30/20 as Previously Reported	Retroactive Adjustments	Balance 6/30/2020 as Restated
<u>Statement of Net Activities - Governmental Activities:</u>			
Net Position - Ending	\$ 9,313,119	\$ 737,847	\$ 10,050,966
<u>Statement of Revenues, Expenditures and Changes in</u>			
<u>Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	7,096,623	128,818	7,225,441
Special Revenue Fund:			
Fund Balance - June 30	- 0 -	609,029	609,029
<u>Statement of Changes in Fiduciary Net Position -</u>			
<u>Fiduciary Funds:</u>			
Unemployment Compensation Trust:			
Net Position - End of the Year	128,818	(128,818)	- 0 -

NOTE 20: 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 lunch to all students under the Seamless Summer Option through June 30, 2022.



SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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	0.0593593597%	0.0615338408%	0.0595188544%	0.0552849481%	0.0547999042%	0.0539035746%	0.0534901260%
District's proportionate share of the Net Pension Liability	\$ 11,113,696	\$ 13,813,114	\$ 17,627,777	\$ 12,869,452	\$ 10,789,828	\$ 9,712,606	\$ 8,722,841
District's Covered Employee Payroll	\$ 3,913,666	\$ 3,914,297	\$ 3,855,789	\$ 3,795,373	\$ 3,764,162	\$ 3,857,081	\$ 4,039,621
District's proportionate share of the Net Pension Liability as a percentage of its Covered Employee Payroll	283.97%	352.89%	457.18%	339.08%	286.65%	251.81%	215.93%
Plan Fiduciary Net Position as a percentage 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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	\$ 489,350	\$ 529,026	\$ 534,791	\$ 520,864	\$ 548,108	\$ 527,649	\$ 585,155
Contributions in relation to the Contractually Required Contribution	<u>(489,350)</u>	<u>(529,026)</u>	<u>(534,791)</u>	<u>(520,864)</u>	<u>(548,108)</u>	<u>(527,649)</u>	<u>(585,155)</u>
Contribution Deficiency/(Excess)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
District's Covered Employee Payroll	\$ 3,914,297	\$ 3,855,789	\$ 3,795,373	\$ 3,764,162	\$ 3,857,081	\$ 4,039,621	\$ 3,892,642
Contributions as a percentage of Covered Employee Payroll	12.50%	13.72%	14.09%	13.84%	14.21%	13.68%	14.49%

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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	0.1807731877%	0.1725556498%	0.1677900007%	0.1777261680%	0.1778345545%	0.1815071639%	0.1779249825%
State's proportionate share of the Net Pension Liability attributable to the District	\$ 96,617,385	\$ 109,062,539	\$ 131,994,298	\$ 119,829,391	\$ 113,134,524	\$ 111,392,660	\$ 117,161,460
District's Covered Employee Payroll	\$ 16,272,569	\$ 18,859,397	\$ 18,225,898	\$ 18,474,319	\$ 19,273,897	\$ 20,030,023	\$ 21,858,870
State's proportionate share of the Net Pension Liability attributable to the District as a percentage of the District's Covered Employee Payroll	593.74%	578.29%	724.21%	648.63%	586.98%	556.13%	535.99%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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	\$ 5,198,922	\$ 6,659,250	\$ 9,917,535	\$ 8,301,173	\$ 6,595,347	\$ 6,570,237	\$ 7,285,598
Contributions in relation to the Contractually Required Contribution	<u>(624,840)</u>	<u>(925,660)</u>	<u>(1,929,171)</u>	<u>(2,618,875)</u>	<u>(3,569,808)</u>	<u>(3,902,577)</u>	<u>(5,280,970)</u>
Contribution Deficiency/(Excess)	<u>\$ 4,574,082</u>	<u>\$ 5,733,590</u>	<u>\$ 7,988,364</u>	<u>\$ 5,682,298</u>	<u>\$ 3,025,539</u>	<u>\$ 2,667,660</u>	<u>\$ 2,004,628</u>
District's Covered Employee Payroll	\$ 18,859,397	\$ 18,225,898	\$ 18,474,319	\$ 19,273,897	\$ 20,030,023	\$ 21,858,870	\$ 21,418,898
Contributions as a percentage of Covered Employee Payroll	3.31%	5.08%	10.44%	13.59%	17.82%	17.85%	24.66%

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

CALDWELL-WEST CALDWELL 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	\$ 4,102,223	\$ 3,412,214	\$ 3,059,772
Interest Cost	2,863,647	3,324,872	3,136,760
Changes in Assumptions	(11,853,755)	(9,069,540)	1,051,621
Differences between Expected and Actual Experience		(7,065,782)	(13,650,304)
Member Contributions	77,163	73,040	64,179
Gross Benefit Payments	<u>(2,095,535)</u>	<u>(2,113,339)</u>	<u>(2,165,088)</u>
Net Change in Total OPEB Liability	(6,906,257)	(11,438,535)	(8,503,060)
Total OPEB Liability - Beginning	<u>97,378,732</u>	<u>90,472,475</u>	<u>79,033,940</u>
Total OPEB Liability - Ending	<u>\$ 90,472,475</u>	<u>\$ 79,033,940</u>	<u>\$ 70,530,880</u>
District's Covered Employee Payroll *	\$ 22,081,687	\$ 22,269,692	\$ 23,038,059
Total OPEB Liability as a Percentage of Covered Employee Payroll	410%	355%	306%

\* - 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
District's Proportion of the Net Pension Liability	2.8052491%	2.7948026%	2.7409447%	2.4263189%	2.3722327%	2.5098843%	2.3903214%
District's Proportionate Share of the Net Pension Liability	\$ 1,080,551	\$ 1,011,675	\$ 783,367	\$ 762,507	\$ 791,633	\$ 668,002	\$ 515,008
District's Covered Employee Payroll	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position (*) as a Percentage of the Total Pension Liability	76.05%	75.39%	79.51%	77.36%	75.78%	79.52%	83.63%
* Fiduciary Net Position Excludes:							
Amount Designated for Insurance Benefits	\$ 19,628,046	\$ 19,972,514	\$ 21,556,614	\$ 22,656,498	\$ 24,050,359	\$ 26,614,872	\$ 21,545,553

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY  
LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 164,185	\$ 145,337	\$ 113,008	\$ 95,190	\$ 83,301	\$ 90,550	\$ 111,298
Contributions in Relation to the Contractually Required Contribution	<u>(164,185)</u>	<u>(145,337)</u>	<u>(113,008)</u>	<u>(95,190)</u>	<u>(83,301)</u>	<u>(90,550)</u>	<u>(111,298)</u>
Contribution Deficiency (Excess)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
District's Covered Employee Payroll	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ - 0 -
Contributions as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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.

C. BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY

Benefit Changes

There were none known.

Changes of Assumptions

The discount rate used to measure the total pension liability changed from 6.00% to 5.00%.

Salary increases changed from 4.50% to 3.00%.

Mortality rates for the fiscal year ended June 30, 2020 were based on 110% of the Public Sector General and Non-Safety Disabled Annuitant Mortality Tables (PubG-2010) projected generationally with scale MP-2018.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(Continued)

C. BOARD OF EDUCATION EMPLOYEES' PENSION FUND OF ESSEX COUNTY (Cont'd)

Mortality Rates for the fiscal year ended June 30, 2021 were based on the following:

Active members, inactive members and healthy retirees:

110% of PubG-2010 mortality tables with MP-2018 mortality projection, in 2021.

Disabled retirees:

110% of PubNS-2010 mortality tables with MP-2018 mortality projection, in 2021.

The retirement rates were extended from 100% at age 67 and older to 20% at ages 67 through 79 and 100% at age 80 or older.

D. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

D. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

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

CALDWELL-WEST CALDWELL 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
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 46,576,879		\$ 46,576,879	\$ 46,576,879	
Tuition From Other LEAs	35,000		35,000	13,320	\$ (21,680)
Transportation Fees From Individuals	5,000		5,000		(5,000)
Transportation Fees From Other LEA's	15,000		15,000	83,677	68,677
Rents & Royalties	80,000		80,000	5,214	(74,786)
Interest Earned on Capital Reserve Funds	200		200	8,190	7,990
Interest Earned on Maintenance Reserve	100		100		(100)
Unrestricted Miscellaneous Revenue	40,000		40,000	196,256	156,256
Other Restricted Miscellaneous Revenue				328	328
Total - Local Sources	<u>46,752,179</u>		<u>46,752,179</u>	<u>46,883,864</u>	<u>131,685</u>
State Sources:					
Special Education Aid	1,580,355	\$ (220,315)	1,360,040	1,360,040	
Security Aid	226,292		226,292	226,292	
Transportation Aid	342,698		342,698	342,698	
Extraordinary Special Education Costs Aid	401,419		401,419	977,680	576,261
Excess Nonpublic School Transportation Costs				33,350	33,350
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,686,462	1,686,462
TPAF On-Behalf Pension Contributions (Non-Budgeted)				5,280,970	5,280,970
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				100,477	100,477
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				2,973	2,973
TPAF Social Security (Reimbursed - Non-Budgeted)				1,529,803	1,529,803
Total State Sources	<u>2,550,764</u>	<u>(220,315)</u>	<u>2,330,449</u>	<u>11,540,745</u>	<u>9,210,296</u>
Federal Sources:					
Medicaid Assistance Program				31,386	31,386
Families First Coronavirus Response Act/SEMI				1,432	1,432
Total - Federal Sources				<u>32,818</u>	<u>32,818</u>
Total Revenues	<u>49,302,943</u>	<u>(220,315)</u>	<u>49,082,628</u>	<u>58,457,427</u>	<u>9,374,799</u>

CALDWELL-WEST CALDWELL 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:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 663,684	\$ (49,721)	\$ 613,963	\$ 594,095	\$ 19,868
Grades 1-5 - Salaries of Teachers	4,975,624	100,646	5,076,270	5,017,250	59,020
Grades 6-8 - Salaries of Teachers	2,887,724	(11,380)	2,876,344	2,862,654	13,690
Grades 9-12 - Salaries of Teachers	5,179,682	(66,533)	5,113,149	5,046,679	66,470
Regular Programs - Home Instruction:					
Salaries of Teachers	7,000		7,000	2,566	4,434
Purchased Professional-Educational Services	22,000		22,000	21,132	868
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	225,250	(10,668)	214,582	214,582	
Purchased Professional-Educational Services	35,152	23,711	58,863	53,823	5,040
Other Purchased Services	102,447	(16,492)	85,955	69,960	15,995
General Supplies	732,947	130,571	863,518	687,079	176,439
Textbooks	207,600	211,695	419,295	413,339	5,956
Other Objects	30,341	(26,645)	3,696	3,696	
<b>Total Regular Programs - Instruction</b>	<b>15,069,451</b>	<b>285,184</b>	<b>15,354,635</b>	<b>14,986,855</b>	<b>367,780</b>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	69,315	61,426	130,741	96,032	34,709
General Supplies	2,496	467	2,963	2,688	275
<b>Total Learning and/or Language Disabilities</b>	<b>71,811</b>	<b>61,893</b>	<b>133,704</b>	<b>98,720</b>	<b>34,984</b>

CALDWELL-WEST CALDWELL 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:					
Special Education - Instruction:					
Behavioral Disabilities					
Salaries of Teachers	\$ 58,641	\$ (3,091)	\$ 55,550	\$ 55,550	
General Supplies	775		775		\$ 775
Total Behavioral Disabilities	59,416	(3,091)	56,325	55,550	775
Resource Room/Resource Center:					
Salaries of Teachers	3,145,905	19,794	3,165,699	3,087,987	77,712
Purchased Prof. Ed. Services	1,000		1,000	525	475
General Supplies	7,500	1,855	9,355	6,531	2,824
Textbooks	8,733	(4,265)	4,468	4,468	
Other Objects	8,773	(8,773)			
Total Resource Room/Resource Center	3,171,911	8,611	3,180,522	3,099,511	81,011
Preschool Disabilities - Part-Time:					
Salaries of Teachers	75,225	(894)	74,331	74,331	
Other Salaries for Instruction	287,158	(111,348)	175,810	175,810	
General Supplies	3,000	(1,128)	1,872	1,872	
Total Preschool Disabilities - Part-Time	365,383	(113,370)	252,013	252,013	
Preschool Disabilities - Full Time:					
Salaries of Teachers	120,346	66,197	186,543	186,543	
General Supplies	1,000		1,000		1,000
Total Preschool Disabilities - Full-Time	121,346	66,197	187,543	186,543	
Home Instruction:					
Salaries of Teachers	18,065	(4,114)	13,951	13,951	
Purchased Professional-Educational Services	30,760	28,888	59,648	59,648	
Total Home Instruction	48,825	24,774	73,599	73,599	
Total Special Education - Instruction	3,838,692	45,014	3,883,706	3,765,936	116,770
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	120,955	(53,899)	67,056	67,056	
Purchased Professional-Educational Services	4,375		4,375	4,375	
General Supplies	2,000	(1,933)	67	67	
Total Basic Skills/Remedial - Instruction	127,330	(55,832)	71,498	71,498	

CALDWELL-WEST CALDWELL 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:					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 119,010	\$ (30,354)	\$ 88,656	\$ 88,656	
General Supplies	2,485	(1,728)	757		\$ 757
Total Bilingual Education - Instruction	121,495	(32,082)	89,413	88,656	757
School Sponsored Cocurricular Activities:					
Salaries	366,380	(40,000)	326,380	266,257	60,123
Purchased Services	16,778		16,778	4,200	12,578
Supplies and Materials	20,074	455	20,529	19,644	885
Other Objects	15,154	(455)	14,699	1,104	13,595
Transfers to Cover Deficit (Agency Funds)	7,500		7,500		7,500
Total School-Sponsored Cocurricular Activities	425,886	(40,000)	385,886	291,205	94,681
School-Sponsored Athletics:					
Salaries	905,727	(18,936)	886,791	666,499	220,292
Purchased Services	153,330	3,451	156,781	124,991	31,790
Supplies and Materials	102,687		102,687	68,043	34,644
Other Objects	24,678	24,297	48,975	47,960	1,015
Transfers to Cover Deficit (Agency Funds)	13,015	(3,480)	9,535		9,535
Total School-Sponsored Athletics	1,199,437	5,332	1,204,769	907,493	297,276
Community Services Programs:					
Salaries	168,132	74,943	243,075	14,222	228,853
Total Community Services Programs	168,132	74,943	243,075	14,222	228,853
Total Instruction	20,950,423	282,559	21,232,982	20,125,865	1,107,117



CALDWELL-WEST CALDWELL 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 - Instruction:					
Tuition to Other LEA's Within the State - Special	\$ 273,998	\$ (89,636)	\$ 184,362	\$ 178,225	\$ 6,137
Tuition to County Vocational School - Regular	12,295	783	13,078	13,078	
Tuition to County Vocational School - Special	96,271	(49,330)	46,941	46,941	
Tuition to CSSD & Regional Day Schools		8,979	8,979	8,979	
Tuition to Private Schools for the Handicapped Within State	2,215,780	11,140	2,226,920	2,105,141	121,779
Tuition - State Facilities	63,738	(52,161)	11,577		11,577
Tuition - Other		31,693	31,693	31,693	
<b>Total Undistributed Expenditures - Instruction</b>	<b>2,662,082</b>	<b>(138,532)</b>	<b>2,523,550</b>	<b>2,384,057</b>	<b>139,493</b>
Undistributed Expenditures:					
Attendance and Social Work Services:					
Salaries	26,000	980	26,980	26,980	
Attendance and Social Work Services	26,000	980	26,980	26,980	
Health Services:					
Salaries	611,612	(2,146)	609,466	591,488	17,978
Purchased Professional and Technical Services	14,791	(1,168)	13,623	2,372	11,251
Supplies and Materials	21,531	4,113	25,644	18,203	7,441
Other Objects	2,140	(2,090)	50		50
<b>Total Health Services</b>	<b>650,074</b>	<b>(1,291)</b>	<b>648,783</b>	<b>612,063</b>	<b>36,720</b>

CALDWELL-WEST CALDWELL 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: (Cont'd)					
Speech, OT, PT & Related Services:					
Salaries	\$ 468,778	\$ (16,883)	\$ 451,895	\$ 441,528	\$ 10,367
Purchased Professional - Educational Services	162,223	(16,573)	145,650	57,676	87,974
Supplies and Materials	6,500	30	6,530	3,890	2,640
Other Objects	2,500	904	3,404	3,404	
<b>Total Speech, OT, PT &amp; Related Services</b>	<b>640,001</b>	<b>(32,522)</b>	<b>607,479</b>	<b>506,498</b>	<b>100,981</b>
Other Support Services - Extraordinary Services:					
Salaries	772,305	151,139	923,444	923,444	
Purchased Professional - Educational Services	1,000,365	54,584	1,054,949	850,924	204,025
<b>Total Other Support Services - Extraordinary Services</b>	<b>1,772,670</b>	<b>205,723</b>	<b>1,978,393</b>	<b>1,774,368</b>	<b>204,025</b>
Guidance:					
Salaries of Other Professional Staff	525,816	19,179	544,995	544,995	
Purchased Professional-Educational Services	390,000		390,000	390,000	
Other Purchased Professional and Technical Services	11,541		11,541	9,117	2,424
Other Purchased Professional Services	800		800		800
Supplies and Materials	5,100	3,576	8,676	8,176	500
Other Objects	1,894	(48)	1,846	600	1,246
<b>Total Guidance</b>	<b>935,151</b>	<b>22,707</b>	<b>957,858</b>	<b>952,888</b>	<b>4,970</b>
Child Study Team:					
Salaries of Other Professional Staff	1,120,208	174,886	1,295,094	1,295,094	
Salaries of Secretarial and Clerical Assistants	130,074	(16,688)	113,386	113,386	
Purchased Professional - Educational Services		3,300	3,300	3,300	
Other Purchased Professional and Technical Services	235,287	(188,546)	46,741	37,172	9,569

CALDWELL-WEST CALDWELL 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: (Cont'd)					
Child Study Team: (Cont'd)					
Miscellaneous Purchased Services	\$ 10,140	\$ 896	\$ 11,036	\$ 4,508	\$ 6,528
Supplies and Materials	34,617	(12,809)	21,808	19,847	1,961
Other Objects	3,491	559	4,050	2,509	1,541
<b>Total Child Study Team</b>	<b>1,533,817</b>	<b>(38,402)</b>	<b>1,495,415</b>	<b>1,475,816</b>	<b>19,599</b>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	428,000	6,958	434,958	434,958	
Salaries of Other Professional Staff	24,484	(8,764)	15,720	15,720	
Other Salaries		406	406	406	
Purchased Professional - Educational Services	9,410	(1,080)	8,330	7,734	596
Other Purch Prof. and Tech. Services	5,745	(275)	5,470		5,470
Other Purchased Services	3,723		3,723		3,723
Supplies and Materials	23,729	(7,673)	16,056	14,306	1,750
Other Objects	22,242		22,242	4,103	18,139
<b>Total Improvement of Instructional Services</b>	<b>517,333</b>	<b>(10,428)</b>	<b>506,905</b>	<b>477,227</b>	<b>29,678</b>
Educational Media Services/School Library:					
Salaries	521,903	(34,167)	487,736	487,736	
Salaries of Technology Coordinators	326,177	(776)	325,401	325,401	
Supplies and Materials	64,186	9,255	73,441	73,115	326
<b>Total Educational Media Services/School Library</b>	<b>912,266</b>	<b>(25,688)</b>	<b>886,578</b>	<b>886,252</b>	<b>326</b>

CALDWELL-WEST CALDWELL 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: (Cont'd)					
Instructional Staff Training Services:					
Purchased Professional - Educational Services	\$ 14,150	\$ (1,391)	\$ 12,759	\$ 12,320	\$ 439
Other Purchased Prof. and Tech Services	12,000	(8,270)	3,730	1,900	1,830
Other Purchased Services	1,664		1,664		1,664
Other Objects	25,808	(14,192)	11,616	3,368	8,248
<b>Total Instructional Staff Training Services</b>	<b>53,622</b>	<b>(23,853)</b>	<b>29,769</b>	<b>17,588</b>	<b>12,181</b>
General Administration:					
Salaries	348,981	29,955	378,936	378,936	
Unused Vacation Payment to Terminate/Retired Staff		12,834	12,834	12,834	
Legal Services	46,218	45,278	91,496	88,397	3,099
Audit Fees	45,000	5,975	50,975	49,555	1,420
Architectural/Engineering Services	67,788	31,699	99,487	62,154	37,333
Other Purchased Professional Services	13,035	10,465	23,500	13,015	10,485
Purchased Technical Services	2,031	5,004	7,035	3,885	3,150
Communications/Telephone	77,677	(35,186)	42,491	31,999	10,492
BOE Other Purchased Services	2,239	(43)	2,196	303	1,893
Miscellaneous Purchased Services (400-500)	38,066	4,713	42,779	42,736	43
General Supplies	6,346	(3,428)	2,918	2,817	101
Miscellaneous Expenditures	39,878	5,896	45,774	45,774	
BOE Membership Dues and Fees	18,933	(18,048)	885	885	
<b>Total General Administration</b>	<b>706,192</b>	<b>95,114</b>	<b>801,306</b>	<b>733,290</b>	<b>68,016</b>
School Administration:					
Salaries of Principals/Assistant Principals	1,227,811	(42,389)	1,185,422	1,185,421	1
Salaries of Other Professional Staff		5,009	5,009	2,030	2,979
Salaries of Secretarial and Clerical Assistants	700,707	(9,822)	690,885	690,885	
Other Purchased Prof. and Tech Services		16,800	16,800	16,800	
Supplies and Materials	23,827	(12,238)	11,589	9,130	2,459

CALDWELL-WEST CALDWELL 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: (Cont'd)					
School Administration: (Cont'd)					
Other Objects	\$ 27,801	\$ (11,888)	\$ 15,913	\$ 12,244	\$ 3,669
Total School Administration	1,980,146	(54,528)	1,925,618	1,916,510	9,108
Central Services:					
Salaries	566,376	(66,271)	500,105	496,883	3,222
Purchased Technical Services	41,327	510	41,837	41,837	
Purchased Professional Services	1,622	33,139	34,761	30,796	3,965
Miscellaneous Purchased Services	12,650	1,938	14,588	12,803	1,785
Supplies and Materials	10,054	600	10,654	10,654	
Miscellaneous Expenditures	23,210	(9,707)	13,503	3,293	10,210
Total Central Services	655,239	(39,791)	615,448	596,266	19,182
Administrative Information Technology:					
Salaries		2,720	2,720	2,720	
Purchased Professional Services	50,000	107,650	157,650	156,531	1,119
Other Purchased Services	252,959	97,664	350,623	328,335	22,288
Supplies and Materials	39,423	114,952	154,375	102,661	51,714
Total Administrative Information Technology	342,382	322,986	665,368	590,247	75,121
Required Maintenance for School Facilities:					
Salaries	718,625	(80,195)	638,430	623,528	14,902
Cleaning, Repair and Maintenance Services	844,749	(123,456)	721,293	535,822	185,471
General Supplies	149,780	2,728	152,508	124,057	28,451
Other Objects	10,175	2,019	12,194	9,019	3,175
Total Required Maintenance for School Facilities	1,723,329	(198,904)	1,524,425	1,292,426	231,999

CALDWELL-WEST CALDWELL 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: (Cont'd)					
Custodial Services:					
Salaries	\$ 1,319,347	\$ 16,789	\$ 1,336,136	\$ 1,269,416	\$ 66,720
Salaries of Non-Instructional Aides	103,815	(6,671)	97,144	90,047	7,097
Cleaning, Repair and Maintenance Services	139,245	72,803	212,048	90,389	121,659
Other Purchased Property Services	116,594		116,594	29,346	87,248
Insurance	324,282	521	324,803	315,804	8,999
General Supplies	122,500	77,323	199,823	103,830	95,993
Energy (Natural Gas)	302,849	70,142	372,991	153,379	219,612
Energy (Electricity)	408,243	99,807	508,050	342,896	165,154
Energy (Gasoline)	20,000	(301)	19,699	7,334	12,365
Other Objects	2,175		2,175		2,175
Interest - Energy Savings Bonds	127,750		127,750	125,350	2,400
Principal - Energy Saving Bonds	160,000		160,000	160,000	
<b>Total Custodial Services</b>	<b>3,146,800</b>	<b>330,413</b>	<b>3,477,213</b>	<b>2,687,791</b>	<b>789,422</b>
Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	254,800	(15,887)	238,913	118,771	120,142
General Supplies	58,600	664	59,264	33,336	25,928
<b>Total Care &amp; Upkeep of Grounds</b>	<b>313,400</b>	<b>(15,223)</b>	<b>298,177</b>	<b>152,107</b>	<b>146,070</b>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Salaries of Non-Instructional Aides		67,171	67,171	67,171	
Between Home and School - Regular	85,716	(26,447)	59,269	58,861	408
Between Home and School - Special Education	385,556	48,699	434,255	434,255	
Other than Between Home and School	77,473	(62,313)	15,160	14,453	707
Management Fees - ESC Transportation Programs	16,803	(16,307)	496	496	
Other Purchased Prof. and Technical Service	13,776	(3,183)	10,593	10,593	
Cleaning, Repair and Maintenance Services	35,000	53,114	88,114	88,114	

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

			30579		
EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Student Transportation Services: (Cont'd)					
Contracted Services:					
Other than Between Home and School -Vendors	\$ 9,882	\$ (9,882)			
Special Education Students - ESCs & CTSA's	287,648	(177,694)	\$ 109,954	\$ 52,658	\$ 57,296
Aid in Lieu of Payments for Nonpublic School Students	112,000	(13,667)	98,333	98,333	
Miscellaneous Purchased Services - Transportation		6,489	6,489	6,489	
General Supplies	6,000		6,000		6,000
Transportation Supplies	38,146		38,146	36,713	1,433
Other Objects		150	150	150	
Total Student Transportation Services	<u>1,068,000</u>	<u>(133,870)</u>	<u>934,130</u>	<u>868,286</u>	<u>65,844</u>
Allocated Benefits:					
Regular Programs - Instruction:					
Health Benefits	<u>2,366,503</u>		<u>2,366,503</u>	<u>2,366,503</u>	
Total Regular Programs - Instruction	<u>2,366,503</u>		<u>2,366,503</u>	<u>2,366,503</u>	
Special Programs - Instruction:					
Health Benefits	<u>1,117,287</u>		<u>1,117,287</u>	<u>1,117,287</u>	
Total Special Programs - Instruction	<u>1,117,287</u>		<u>1,117,287</u>	<u>1,117,287</u>	
Undist. Expend. - Support Serv. - General Administration:					
Health Benefits	<u>111,341</u>	<u>2,000</u>	<u>113,341</u>	<u>113,341</u>	
Total Undist. Expend. - Support Serv. - General Administration	<u>111,341</u>	<u>2,000</u>	<u>113,341</u>	<u>113,341</u>	
Undist. Expend. - Support Serv. - School Administration:					
Health Benefits	<u>240,105</u>		<u>240,105</u>	<u>240,105</u>	
Total Undist. Expend. - Support Serv. - School Administration	<u>240,105</u>		<u>240,105</u>	<u>240,105</u>	
Undist. Expend. - Support Serv. - Central Services:					
Health Benefits	<u>144,392</u>		<u>144,392</u>	<u>144,392</u>	
Total Undist. Expend. - Support Serv. - Central Services	<u>144,392</u>		<u>144,392</u>	<u>144,392</u>	
Undist. Expend. - Support Serv. - Custodial Services:					
Health Benefits	<u>770,000</u>		<u>770,000</u>	<u>770,000</u>	
Total Undist. Expend. - Support Serv. - Custodial Services	<u>770,000</u>		<u>770,000</u>	<u>770,000</u>	
Total Allocated Benefits	<u>4,749,628</u>	<u>2,000</u>	<u>4,751,628</u>	<u>4,751,628</u>	

CALDWELL-WEST CALDWELL 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: (Cont'd)					
Unallocated Benefits:					
Social Security Contributions	\$ 689,765	\$ (46,775)	\$ 642,990	\$ 597,076	\$ 45,914
Other Retirement Contributions - PERS	794,509	(11,669)	782,840	585,155	197,685
Other Retirement Contributions - Essex County Pension	181,422		181,422	103,558	77,864
Other Retirement Contributions - ERIP	3,508		3,508	2,466	1,042
Other Retirement Contributions - Regular	40,000	(1,666)	41,666	41,666	
Unemployment Compensation	1,000		1,000		1,000
Workmen's Compensation	332,436	(80,398)	252,038	252,037	1
Health Benefits	2,120,644	(914,673)	1,205,971	706,453	499,518
Tuition Reimbursement	107,631		107,631	70,364	37,267
Other Employee Benefits	71,293	132,740	204,033	157,432	46,601
<b>Total Unallocated Benefits</b>	<b>4,342,208</b>	<b>(919,109)</b>	<b>3,423,099</b>	<b>2,516,207</b>	<b>906,892</b>
On-Behalf Contributions (Non-budgeted):					
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,686,462	(1,686,462)
TPAF On-Behalf Pension Contributions (Non-Budgeted)				5,280,970	(5,280,970)
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				100,477	(100,477)
TPAF Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				2,973	(2,973)
TPAF Social Security (Reimbursed - Non-Budgeted)				1,529,803	(1,529,803)
<b>Total On-Behalf Contributions (Non-Budgeted)</b>				<b>8,600,685</b>	<b>(8,600,685)</b>
<b>Total Unallocated Benefits</b>	<b>4,342,208</b>	<b>(919,109)</b>	<b>3,423,099</b>	<b>11,116,892</b>	<b>(7,693,793)</b>
<b>Total Personal Services - Employee Benefits</b>	<b>9,091,836</b>	<b>(917,109)</b>	<b>8,174,727</b>	<b>15,868,520</b>	<b>(7,693,793)</b>
<b>Total Undistributed Expenditures</b>	<b>28,730,340</b>	<b>(652,218)</b>	<b>28,078,122</b>	<b>33,819,180</b>	<b>(5,741,058)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>49,680,763</b>	<b>(369,659)</b>	<b>49,311,104</b>	<b>53,945,045</b>	<b>(4,633,941)</b>



CALDWELL-WEST CALDWELL 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
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	\$ 10,000	\$ (10,000)			
Grades 6-8	2,000	(2,000)			
Grades 9-12	18,399	50,004	\$ 68,403	\$ 53,839	\$ 14,564
Undistributed Expenditures:					
Required Maint for School Fac.	50,000	49,055	99,055	53,055	46,000
School Buses - Special	139,299	55,535	194,834	194,834	
Total Equipment	<u>219,698</u>	<u>142,594</u>	<u>362,292</u>	<u>301,728</u>	<u>60,564</u>
Facilities Acquisition and Construction Services:					
Construction Services		6,750	6,750	6,750	
Assessment for Debt Service on SDA Funding	5,477		5,477	5,477	
Total Facilities Acquisition and Construction Services	<u>5,477</u>	<u>6,750</u>	<u>12,227</u>	<u>12,227</u>	
TOTAL CAPITAL OUTLAY	<u>225,175</u>	<u>149,344</u>	<u>374,519</u>	<u>313,955</u>	<u>60,564</u>
TOTAL EXPENDITURES	<u>49,905,938</u>	<u>(220,315)</u>	<u>49,685,623</u>	<u>54,259,000</u>	<u>(4,573,377)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(602,995)</u>		<u>(602,995)</u>	<u>4,198,427</u>	<u>4,801,422</u>
Other Financing Sources:					
Transfer In - Capital Projects Fund Interest				1,545	1,545
Capital Reserve - Transfer from Capital Projects Fund				42,160	42,160
Total Other Financing Sources				<u>43,705</u>	<u>43,705</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures	<u>(602,995)</u>		<u>(602,995)</u>	<u>4,242,132</u>	<u>4,845,127</u>
Fund Balance, July 1 (Restated)	<u>7,396,776</u>		<u>7,396,776</u>	<u>7,396,776</u>	
Fund Balance, June 30	<u>\$ 6,793,781</u>	<u>\$ - 0 -</u>	<u>\$ 6,793,781</u>	<u>\$ 11,638,908</u>	<u>\$ 4,845,127</u>

CALDWELL-WEST CALDWELL 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
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 4,728,639	
Maintenance Reserve				1,700,000	
Excess Surplus - 2022-2023				1,727,363	
Excess Surplus - 2021-2022				594,176	
Unemployment Compensation				164,507	
Assigned Fund Balance:					
Year End Encumbrances				288,279	
Unassigned Fund Balance					
				2,435,944	
				11,638,908	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(179,269)	
Fund Balance per Governmental Funds (GAAP)					
				\$ 11,459,639	

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local Sources	\$ 54,744	\$ 310,391	\$ 365,135	\$ 350,031	\$ (15,104)
State Sources	73,106	51,477	124,583	109,956	(14,627)
Federal Sources	1,010,983	303,375	1,314,358	1,088,982	(225,376)
<b>Total Revenues</b>	<u>1,138,833</u>	<u>665,243</u>	<u>1,804,076</u>	<u>1,548,969</u>	<u>(255,107)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	135,100	45,572	180,672	93,599	87,073
Other Purchased Services	633,725	11,397	645,122	645,122	
General Supplies	168,752	251,381	420,133	361,227	58,906
Textbooks	15,273		15,273	15,273	
<b>Total Instruction</b>	<u>952,850</u>	<u>308,350</u>	<u>1,261,200</u>	<u>1,115,221</u>	<u>145,979</u>
Support Services:					
Personal Services - Salaries		3,000	3,000		3,000
Personal Services - Employee Benefits	49,488	(12,729)	36,759	4,478	32,281
Purchased Professional and Technical Services	111,317	52,847	164,164	91,830	72,334
Other Purchased Services	3,000		3,000	3,000	
Supplies and Materials	22,178	6,218	28,396	26,883	1,513
Student Activities		162,497	162,497	137,719	24,778
Scholarships Awarded		145,060	145,060	78,926	66,134
<b>Total Support Services</b>	<u>185,983</u>	<u>356,893</u>	<u>542,876</u>	<u>342,836</u>	<u>200,040</u>
<b>Total Expenditures</b>	<u>1,138,833</u>	<u>665,243</u>	<u>1,804,076</u>	<u>1,458,057</u>	<u>346,019</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 90,912</u>	<u>\$ (601,126)</u>

CALDWELL-WEST CALDWELL 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	\$ 58,457,427	\$ 1,548,969
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not:		
Current Year Encumbrances		(60,738)
Prior Year Encumbrances		138,178
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	171,335	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(179,269)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 58,449,493	\$ 1,626,409
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 54,259,000	\$ 1,458,057
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(60,738)
Prior Year Encumbrances		138,178
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 54,259,000	\$ 1,535,497

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. 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).

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

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 the GAAP revenue due to a difference in the recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	I.D.E.A.		Elementary and Secondary Education Act			
	Basic	Preschool	Title I	Title IIA	Title III	Title III Immigrant
REVENUES:						
Local Sources						
State Sources						
Federal Sources	\$ 625,159	\$ 19,963	\$ 137,323	\$ 46,965	\$ 21,614	\$ 1,081
Total Revenues	<u>625,159</u>	<u>19,963</u>	<u>137,323</u>	<u>46,965</u>	<u>21,614</u>	<u>1,081</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers			93,599			
Other Purchased Services	625,159	19,963				
General Supplies			27,750		10,376	
Textbooks						
Total Instruction	<u>625,159</u>	<u>19,963</u>	<u>121,349</u>		<u>10,376</u>	
Support Services:						
Personal Services - Employee Benefits			4,478			
Purchased Professional and Technical Services			6,496	25,227	8,138	1,036
Other Purchased Services					3,000	
Supplies and Materials			5,000	21,738	100	45
Student Activities						
Scholarships Awarded						
Total Support Services			<u>15,974</u>	<u>46,965</u>	<u>11,238</u>	<u>1,081</u>
Total Expenditures	<u>\$ 625,159</u>	<u>\$ 19,963</u>	<u>\$ 137,323</u>	<u>\$ 46,965</u>	<u>\$ 21,614</u>	<u>\$ 1,081</u>



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

	Coronavirus Relief Fund	Digital Divide	Nonpublic Digital Divide	CARES Emergency Relief	CRRSA ESSER II
<b>REVENUES:</b>					
Local Sources					
State Sources					
Federal Sources	\$ 98,967	\$ 52,557	\$ 10,875	\$ 11,015	\$ 63,463
<b>Total Revenues</b>	<u>98,967</u>	<u>52,557</u>	<u>10,875</u>	<u>11,015</u>	<u>63,463</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers					
Other Purchased Services					
General Supplies	98,967	52,557	10,875	11,015	63,463
Textbooks					
<b>Total Instruction</b>	<u>98,967</u>	<u>52,557</u>	<u>10,875</u>	<u>11,015</u>	<u>63,463</u>
Support Services:					
Personal Services - Employee Benefits					
Purchased Professional and Technical Services					
Other Purchased Services					
Supplies and Materials					
Student Activities					
Scholarships Awarded					
<b>Total Support Services</b>	<u>                  </u>	<u>                  </u>	<u>                  </u>	<u>                  </u>	<u>                  </u>
<b>Total Expenditures</b>	<u>\$ 98,967</u>	<u>\$ 52,557</u>	<u>\$ 10,875</u>	<u>\$ 11,015</u>	<u>\$ 63,463</u>

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

	<u>Nonpublic Handicapped Services</u>		<u>Nonpublic</u>	
	<u>Supplementary Instruction</u>	<u>Examination and Classification</u>	<u>Nursing</u>	<u>Textbooks</u>
REVENUES:				
Local Sources				
State Sources	\$ 11,494	\$ 13,939	\$ 25,500	\$ 15,273
Federal Sources				
Total Revenues	<u>11,494</u>	<u>13,939</u>	<u>25,500</u>	<u>15,273</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				
Other Salaries for Instruction				
General Supplies				
Textbooks				15,273
Total Instruction				<u>15,273</u>
Support Services:				
Personal Services - Employee Benefits				
Purchased Professional and Technical Services	11,494	13,939	25,500	
Other Purchased Services				
Supplies and Materials				
Student Activities				
Scholarships Awarded				
Total Support Services	<u>11,494</u>	<u>13,939</u>	<u>25,500</u>	
Total Expenditures	<u>\$ 11,494</u>	<u>\$ 13,939</u>	<u>\$ 25,500</u>	<u>\$ 15,273</u>

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

REVENUES:	Nonpublic Security	Private Donations	Student Activities	Scholarships Awarded	Totals
Local Sources		\$ 42,474	\$ 162,497	\$ 145,060	\$ 350,031
State Sources	\$ 43,750				109,956
Federal Sources					1,088,982
Total Revenues	<u>43,750</u>	<u>42,474</u>	<u>162,497</u>	<u>145,060</u>	<u>1,548,969</u>
 EXPENDITURES:					
Instruction:					
Salaries of Teachers					93,599
Other Purchased Services					645,122
General Supplies	43,750	42,474			361,227
Textbooks					15,273
Total Instruction	<u>43,750</u>	<u>42,474</u>			<u>1,115,221</u>
 Support Services:					
Personal Services - Employee Benefits					4,478
Purchased Professional and Technical Services					91,830
Other Purchased Services					3,000
Supplies and Materials					26,883
Student Activities			137,719		137,719
Scholarships Awarded				78,926	78,926
Total Support Services			<u>137,719</u>	<u>78,926</u>	<u>342,836</u>
Total Expenditures	<u>\$ 43,750</u>	<u>\$ 42,474</u>	<u>\$ 137,719</u>	<u>\$ 78,926</u>	<u>\$ 1,458,057</u>

CAPITAL PROJECTS FUND

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenue:	
Interest on Investments	\$ 1,545
Total Revenue	<u>1,545</u>
Expenditures and Other Financing Uses:	
Construction Services	178,871
Cancellation of SDA Grant Receivable	59,485
Transfer to General Fund:	
Interest on Investments	1,545
Unexpended Balances to Capital Reserve	<u>42,160</u>
Total Expenditures and Other Financing Uses	<u>282,061</u>
Deficit of Revenue Under Expenditures and Other Financing Uses	(280,516)
Fund Balance - Beginning of Year	<u>573,642</u>
Fund Balance - End of Year	<u>\$ 293,126</u>
<u>Recapitulation:</u>	
Restricted Fund Balance	<u>\$ 293,126</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -  
BUDGETARY BASIS  
JEFFERSON ELEMENTARY SCHOOL HVAC AND BOILER 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	\$ 587,795	\$ (59,485)	\$ 528,310	\$ 587,795
Transfer from Capital Reserve	1,215,948		1,215,948	1,215,948
Total Revenue and Other Financing Sources	<u>1,803,743</u>	<u>(59,485)</u>	<u>1,744,258</u>	<u>1,803,743</u>
Expenditures:				
Purchased Professional and Technical Services	117,445		117,445	118,700
Construction Services	1,569,653	15,000	1,584,653	1,685,043
Transfer to Capital Reserve		42,160	42,160	
Total Expenditures	<u>1,687,098</u>	<u>57,160</u>	<u>1,744,258</u>	<u>1,803,743</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 116,645</u>	<u>\$ (116,645)</u>	<u>\$ -0-</u>	<u>\$ - 0 -</u>

Additional Project Information:

Project Numbers	0660-070-14-1001
Grant Date	02/03/11
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,469,488
Additional Authorized Cost	\$ 334,255
Revised Authorized Cost	<u>\$ 1,803,743</u>

Percentage Increase over Original Authorized Cost	23%
Percentage Completion	100.00%
Original Target Completion Date	June 2013
Revised Target Completion Date	October 2015

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

	Prior Periods	Current Year	Totals	Project Authorization
Revenue:				
Bond Proceeds	\$ 2,800,000		\$ 2,800,000	\$ 2,800,000
Reoffering Premium	359,602		359,602	359,602
Total Revenue	3,159,602		3,159,602	3,159,602
Expenditures:				
Purchased Professional and Technical Services	14,500		14,500	64,500
Construction Services	2,609,901	\$ 163,871	2,773,772	2,895,102
Other Objects	78,204		78,204	200,000
Total Expenditures	2,702,605	163,871	2,866,476	3,159,602
Excess/(Deficit) of Revenue Over/(Under) Expenditures	\$ 456,997	\$ (163,871)	\$ 293,126	\$ - 0 -

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	04/02/18
Bonds Authorized	\$ 5,000,000
Bonds Issued	\$ 2,800,000
Original Authorized Cost	\$ 3,159,602
Additional Authorized Cost	\$ - 0 -
Revised Authorized Cost	\$ 3,159,602

## Percentage Increase over Original

Authorized Cost	0%
Percentage Completion	91%
Original Target Completion Date	June 2022

PROPRIETARY FUNDS



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2021

	Major Funds		Total
	Continuing Education	Food Service	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 424,943	\$ 173,004	\$ 597,947
Intergovernmental Accounts Receivable:			
State		3,681	3,681
Federal		40,361	40,361
Inventories		12,289	12,289
Total Current Assets	<u>424,943</u>	<u>229,335</u>	<u>654,278</u>
Non-Current Assets:			
Capital Assets		536,626	536,626
Less: Accumulated Depreciation		(416,780)	(416,780)
Total Non-Current Assets		<u>119,846</u>	<u>119,846</u>
Total Assets	<u>424,943</u>	<u>349,181</u>	<u>774,124</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Interfund Payable - Special Revenue Fund		3,750	3,750
Interfund Payable - General Fund	474	3,717	4,191
Unearned Revenue - Prepaid Sales	83,799	52,969	136,768
Unearned Revenue - Donated Commodities		3,460	3,460
Total Current Liabilities	<u>84,273</u>	<u>63,896</u>	<u>148,169</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		119,846	119,846
Unrestricted	<u>340,670</u>	<u>165,439</u>	<u>506,109</u>
Total Net Position	<u>\$ 340,670</u>	<u>\$ 285,285</u>	<u>\$ 625,955</u>

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

	Major Funds		Total
	Continuing Education	Food Service	
Operating Revenue:			
Daily Sales:			
Reimbursable Programs		\$ 1,619	\$ 1,619
Charges for Services:			
Program Fees	\$ 116,282		116,282
Total Operating Revenue	116,282	1,619	117,901
Operating Expenses:			
Cost of Sales - Reimbursable Programs		118,486	118,486
Salaries, Benefits & Payroll Taxes	191,862	91,600	283,462
Purchased Technical Services		32,640	32,640
Supplies and Materials	27,667	22,259	49,926
Miscellaneous Expense	15,261	8,457	23,718
Depreciation Expense		21,439	21,439
Total Operating Expenses	234,790	294,881	529,671
Operating (Loss)	(118,508)	(293,262)	(411,770)
Non-Operating Revenue:			
Local Sources:			
Interest Earnings		415	415
State Sources:			
COVID-19 - Seamless Summer Option		13,877	13,877
Federal Sources:			
Food Distribution Program		20,526	20,526
COVID-19 - Seamless Summer Option		285,087	285,087
Total Non-Operating Income		319,905	319,905
Change in Net Position	(118,508)	26,643	(91,865)
Net Position - Beginning of Year	459,178	258,642	717,820
Net Position - End of Year	\$ 340,670	\$ 285,285	\$ 625,955

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Major Funds		Total
	Continuing Education	Food Service	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 195,341	\$ 903	\$ 196,244
Payments to Food Service Contractors		(154,006)	(154,006)
Payments for Salaries, Payroll Taxes and Benefits	(191,862)	(91,600)	(283,462)
Payments to Suppliers	(42,928)		(42,928)
Net Cash (Used for) Operating Activities	(39,449)	(244,703)	(284,152)
Cash Flows from Investment Activities:			
Interest Income		415	415
Net Cash Provided by Investment Activities		415	415
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets		(3,146)	(3,146)
Net Cash Used for Capital and Related Financing Activities		(3,146)	(3,146)
Cash Flows from Noncapital Financing Activities:			
State Sources		10,223	10,223
Federal Sources		246,449	246,449
Net Cash Provided by Noncapital Financing Activities		256,672	256,672
Net Increase/(Decrease) in Cash and Cash Equivalents	(39,449)	9,238	(30,211)
Cash and Cash Equivalents, July 1	464,392	163,766	628,158
Cash and Cash Equivalents, June 30	\$ 424,943	\$ 173,004	\$ 597,947
Reconciliation of Operating (Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating (Loss)	\$ (118,508)	\$ (293,262)	\$ (411,770)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation		21,439	21,439
Food Distribution Program		20,526	20,526
Changes in Assets and Liabilities:			
Decrease in Inventory		7,005	7,005
Increase in Unearned Revenue -			
Prepaid Sales	79,059	424	79,483
Donated Commodities		305	305
Net Cash (Used for) Operating Activities	\$ (39,449)	\$ (244,703)	\$ (284,152)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund Received U.S.D.A. Donated Commodities through the Food Distribution Program Valued at \$20,831 and Utilized Commodities Valued at \$20,526.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM DEBT

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2020	Retired or Matured	Balance June 30, 2021
			Date	Amount				
School Bonds	03/19/15	\$ 18,205,000	03/15/22	\$ 950,000	2.750%	\$ 14,620,000	\$ 920,000	\$ 13,700,000
			03/15/23	980,000	2.750%			
			03/15/24	1,015,000	2.750%			
			03/15/25	1,045,000	2.750%			
			03/15/26	1,080,000	2.750%			
			03/15/27	1,115,000	3.000%			
			03/15/28	1,155,000	3.000%			
			03/15/29	1,190,000	3.000%			
			03/15/30	1,230,000	3.000%			
			03/15/31	1,270,000	3.000%			
			03/15/32	1,315,000	3.000%			
			03/15/33	1,355,000	3.000%			
			Refunding School Bonds	02/17/16	7,350,000			
09/01/22	1,270,000	4.000%						
09/01/23	1,265,000	4.000%						
09/01/24	1,210,000	4.000%						

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2020	Retired or Matured	Balance June 30, 2021
			Date	Amount				
Energy Savings Improvement Program	05/16/18	\$ 2,800,000	07/15/21	\$ 135,000	4.000%			
			07/15/22	135,000	4.000%			
			07/15/23	145,000	4.000%			
			07/15/24	140,000	4.000%			
			07/15/25	155,000	5.000%			
			07/15/26	165,000	5.000%			
			07/15/27	180,000	5.000%			
			07/15/28	195,000	5.000%			
			07/15/29	210,000	5.000%			
			07/15/30	230,000	5.000%			
			07/15/30	245,000	5.500%			
			07/15/32	265,000	5.500%			
			07/15/33	290,000	5.500%			
								\$ 2,650,000
					<u>\$ 23,480,000</u>	<u>\$ 2,270,000</u>	<u>\$ 21,210,000</u>	

Recapitulation:

Principal paid by General Fund	\$ 160,000
Principal paid by Debt Service Fund	<u>2,110,000</u>
	<u>\$ 2,270,000</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOT APPLICABLE



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,012,970		\$ 2,012,970	\$ 2,012,970	
State Sources:					
Debt Service Aid Type II	720,479		720,479	720,479	
Total Revenues	<u>2,733,449</u>		<u>2,733,449</u>	<u>2,733,449</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	628,200		628,200	628,300	\$ (100)
Redemption of Principal	2,110,000		2,110,000	2,110,000	
Total Expenditures	<u>2,738,200</u>		<u>2,738,200</u>	<u>2,738,300</u>	<u>(100)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(4,751)		(4,751)	(4,851)	(100)
Fund Balance, July 1	4,751		4,751	4,751	
Fund Balance (Deficit) June 30	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ (100)</u>	<u>\$ (100)</u>
<u>Recapitulation:</u>					
Unassigned (Deficit)				<u>\$ (100)</u>	

**STATISTICAL SECTION**  
(UNAUDITED)

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

**Contents**

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

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(Accrual Basis of Accounting)*

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 5,522,844	\$ 5,216,182	\$ 6,159,739	\$ 7,617,899	\$ 10,089,913	\$ 11,783,889	\$ 13,464,517	\$ 15,172,508	\$ 16,989,075	\$ 18,258,397
Restricted	2,659,225	1,651,092	2,100,022	1,349,827	1,881,100	2,540,850	3,489,294	3,964,714	6,515,063	9,614,626
Unrestricted (Deficit)	(16,912)	1,539,685	(11,948,153)	(11,675,726)	(13,196,876)	(14,150,534)	(14,121,849)	(13,265,023)	(13,453,172)	(11,525,243)
<b>Total Governmental Activities</b>										
Net Position/(Deficit)	\$ 8,165,157	\$ 8,406,959	\$ (3,688,392)	\$ (2,708,000)	\$ (1,225,863)	\$ 174,205	\$ 2,831,962	\$ 5,872,199	\$ 10,050,966	\$ 16,347,780
<b>Business-type Activities:</b>										
Investment in Capital Assets	\$ 11,540	\$ 294,393	\$ 269,565	\$ 244,969	\$ 224,898	\$ 203,279	\$ 181,660	\$ 160,041	\$ 138,139	\$ 119,846
Unrestricted	683,374	311,513	263,545	244,348	162,169	155,252	308,584	508,092	579,681	506,109
<b>Total Business-type Activities</b>										
Net Position	\$ 694,914	\$ 605,906	\$ 533,110	\$ 489,317	\$ 387,067	\$ 358,531	\$ 490,244	\$ 668,133	\$ 717,820	\$ 625,955
<b>District-wide:</b>										
Net Investment in Capital Assets	\$ 5,534,384	\$ 5,510,575	\$ 6,429,304	\$ 7,862,868	\$ 10,314,811	\$ 11,987,168	\$ 13,646,177	\$ 15,332,549	\$ 17,127,214	\$ 18,378,243
Restricted	2,659,225	1,651,092	2,100,022	1,349,827	1,881,100	2,540,850	3,489,294	3,964,714	6,515,063	9,614,626
Unrestricted (Deficit)	666,462	1,851,198	(11,684,608)	(11,431,378)	(13,034,707)	(13,995,282)	(13,813,265)	(12,756,931)	(12,873,491)	(11,019,134)
<b>Total District-wide Net Position/(Deficit)</b>										
Net Position/(Deficit)	\$ 8,860,071	\$ 9,012,865	\$ (3,155,282)	\$ (2,218,683)	\$ (838,796)	\$ 532,736	\$ 3,322,206	\$ 6,540,332	\$ 10,768,786	\$ 16,973,735

\* - Restated

CALDWELL-WEST CALDWELL 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
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 18,183,952	\$ 18,699,651	\$ 17,597,863	\$ 20,725,346	\$ 21,971,767	\$ 24,442,624	\$ 25,621,193	\$ 24,064,493	\$ 23,244,197	\$ 24,557,062
Special Education	3,978,308	4,334,306	4,731,689	5,426,362	6,438,375	7,456,464	7,655,254	7,021,339	7,178,958	7,205,799
Other Special Education	444,186	310,318	274,181	307,121	364,984	299,775	322,585	510,573	358,170	235,377
Other Instruction	1,243,831	1,270,526	1,471,628	1,718,067	1,815,902	2,119,540	2,152,469	2,104,415	1,802,926	1,670,391
Support Services:										
Tuition	2,510,239	2,591,562	2,201,414	2,760,285	2,472,465	2,634,435	2,458,883	2,435,394	2,744,912	2,384,057
Student & Instruction Related Services	5,664,327	5,745,182	6,669,738	7,677,084	8,300,424	9,041,452	9,575,592	10,162,114	9,194,353	9,550,011
General Administrative Services	721,574	617,134	707,478	795,701	729,656	790,157	986,508	917,354	998,662	1,049,355
School Administrative Services	2,504,564	2,483,110	2,498,544	2,724,898	3,003,053	3,429,065	3,464,280	3,293,634	3,060,943	3,138,849
Central Services	697,969	571,121	662,830	849,090	811,180	924,068	917,674	955,590	1,026,103	986,908
Administrative Information Technology	476,397	631,273	927,055	742,986	899,185	767,237	659,154	567,083	459,892	593,127
Plant Operations and Maintenance	4,121,393	4,266,708	5,241,904	4,457,300	4,344,130	4,288,007	4,377,335	5,184,521	5,817,549	4,904,030
Pupil Transportation	1,075,175	1,222,320	1,186,701	1,184,797	1,385,225	1,601,034	1,396,947	1,253,434	1,172,549	1,045,908
Capital Outlay				7,263	5,477	5,477				
Interest on Long-Term Debt	584,922	558,316	519,300	591,939	1,044,412	839,110	773,146	706,507	652,360	592,294
Unallocated Depreciation			176,037	176,037	529,643	658,129	639,551	626,171	665,403	978,244
Total Governmental Activities Expenses	42,206,837	43,301,527	44,866,362	50,144,276	54,115,878	59,296,574	61,000,571	59,802,622	58,376,977	58,891,412
Business-type Activities:										
Food Service	460,560	531,833	524,044	548,047	585,313	565,350	568,300	620,322	461,171	294,881
Continuing Education	199,188	196,336	193,360	204,636	213,195	237,065	576,719	714,692	295,884	234,790
Total Business-type Activities Expense	659,748	728,169	717,404	752,683	798,508	802,415	1,145,019	1,335,014	757,055	529,671
Total District-wide Expenses	\$ 42,866,585	\$ 44,029,696	\$ 45,583,766	\$ 50,896,959	\$ 54,914,386	\$ 60,098,989	\$ 62,145,590	\$ 61,137,636	\$ 59,134,032	\$ 59,421,083
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Regular Instruction			\$ 26,828	\$ 30,114	\$ 57,149	\$ 64,067	\$ 78,049	\$ 28,223	\$ 14,680	\$ 13,320
Student & Instruction Related Services										307,557
Pupil Transportation			1,773	6,148	4,685	8,324	10,535	17,570	55,688	83,677
Operating Grants and Contributions	\$ 3,726,882	\$ 4,528,522	5,904,622	10,444,942	12,539,154	15,720,600	17,412,814	15,282,545	13,219,406	15,032,598
Capital Grants and Contributions			12,544	112,896	558,405					
Total Governmental Activities Program Revenues	3,726,882	4,528,522	5,945,767	10,594,100	13,159,393	15,792,991	17,501,398	15,328,338	13,289,774	15,437,152
Business-type Activities:										
Charges for Services:										
Food Service	434,942	439,049	368,329	381,778	427,144	458,677	495,940	569,952	400,661	1,619
Continuing Education	203,897	199,306	228,037	255,585	189,006	224,039	684,662	840,174	314,804	116,282
Operating Grants and Contributions			48,462	71,518	79,961	90,920	95,238	99,910	88,828	319,490
Total Business-type Activities Program Revenues	638,839	638,355	644,828	708,881	696,111	773,636	1,275,840	1,510,036	804,293	437,391
Total District-wide Program Revenues	\$ 4,365,721	\$ 5,166,877	\$ 6,590,595	\$ 11,302,981	\$ 13,855,504	\$ 16,566,627	\$ 18,777,238	\$ 16,838,374	\$ 14,094,067	\$ 15,874,543

CALDWELL-WEST CALDWELL 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
Net (Expense)/Revenue:										
Governmental Activities	\$ (38,479,955)	\$ (38,773,005)	\$ (38,920,595)	\$ (39,550,176)	\$ (40,956,485)	\$ (43,503,583)	\$ (43,499,173)	\$ (44,474,284)	\$ (45,087,203)	\$ (43,454,260)
Business-type Activities	(20,909)	(89,814)	(72,576)	(43,802)	(102,397)	(28,779)	130,821	175,022	47,238	(92,280)
<b>Total District-wide Net Expense</b>	<b>\$ (38,500,864)</b>	<b>\$ (38,862,819)</b>	<b>\$ (38,993,171)</b>	<b>\$ (39,593,978)</b>	<b>\$ (41,058,882)</b>	<b>\$ (43,532,362)</b>	<b>\$ (43,368,352)</b>	<b>\$ (44,299,262)</b>	<b>\$ (45,039,965)</b>	<b>\$ (43,546,540)</b>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied General Purposes, Net	\$ 36,939,862	\$ 36,712,440	\$ 37,446,765	\$ 38,851,019	\$ 40,210,804	\$ 41,618,188	\$ 42,805,131	\$ 44,142,161	\$ 45,232,743	\$ 46,576,879
Taxes Levied for Debt Service	852,738	838,642	846,504	950,124	1,365,293	1,942,691	1,864,180	1,978,677	1,988,822	2,012,970
Unrestricted Grants and Contributions	1,527,089	1,720,159	401,759	496,927	489,147	986,802	714,671	937,385	940,252	1,009,177
Investment Earnings	1,253	1,524	3,580	23,164	72,548	53,662	69,719	171,240	88,144	24,651
Miscellaneous Income	228,282	250,722	205,658	209,334	300,830	302,308	703,229	285,058	278,162	186,882
Other Item		(18,534)								(59,485)
Insurance Recovery Related to Flood Damages			807,788							
Transfers			6,871							
<b>Total Governmental Activities</b>	<b>39,549,224</b>	<b>39,504,953</b>	<b>39,718,925</b>	<b>40,530,568</b>	<b>42,438,622</b>	<b>44,903,651</b>	<b>46,156,930</b>	<b>47,514,521</b>	<b>48,528,123</b>	<b>49,751,074</b>
Business-type Activities:										
Investment Earnings	526	41	13	9	147	243	892	2,867	2,449	415
Miscellaneous Income		29,583								
Special Item		(31,267)	(233)							
<b>Total Business-type Activities</b>	<b>526</b>	<b>(1,643)</b>	<b>(220)</b>	<b>9</b>	<b>147</b>	<b>243</b>	<b>892</b>	<b>2,867</b>	<b>2,449</b>	<b>415</b>
<b>Total District-wide General Revenues and Other Changes in Net Position</b>	<b>\$ 39,549,750</b>	<b>\$ 39,503,310</b>	<b>\$ 39,718,705</b>	<b>\$ 40,530,577</b>	<b>\$ 42,438,769</b>	<b>\$ 44,903,894</b>	<b>\$ 46,157,822</b>	<b>\$ 47,517,388</b>	<b>\$ 48,530,572</b>	<b>\$ 49,751,489</b>
Change in Net Position:										
Governmental Activities	\$ 1,069,269	\$ 731,948	\$ 798,330	\$ 980,392	\$ 1,482,137	\$ 1,400,068	\$ 2,657,757	\$ 3,040,237	\$ 3,440,920	\$ 6,296,814
Business-type Activities	(20,383)	(91,457)	(72,796)	(43,793)	(102,250)	(28,536)	131,713	177,889	49,687	(91,865)
<b>Total District-wide Change in Net Position</b>	<b>\$ 1,048,886</b>	<b>\$ 640,491</b>	<b>\$ 725,534</b>	<b>\$ 936,599</b>	<b>\$ 1,379,887</b>	<b>\$ 1,371,532</b>	<b>\$ 2,789,470</b>	<b>\$ 3,218,126</b>	<b>\$ 3,490,607</b>	<b>\$ 6,204,949</b>

Source: Caldwell-West Caldwell School District Financial Reports.

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

	June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
General Fund:										
Restricted	\$ 2,659,225	\$ 3,094,436	\$ 2,028,115	\$ 1,257,970	\$ 1,789,051	\$ 2,425,831	\$ 3,447,943	\$ 3,959,963	\$ 5,901,283	\$ 8,914,685
Assigned			928,240	356,154	248,298	380,619	533,300	822,252	303,295	288,279
Unassigned	571,730	532,455	815,154	871,190	1,028,064	884,718	1,064,197	1,229,031	1,020,863	2,256,675
<b>Total General Fund</b>	<b>\$ 3,230,955</b>	<b>\$ 3,626,891</b>	<b>\$ 3,771,509</b>	<b>\$ 2,485,314</b>	<b>\$ 3,065,413</b>	<b>\$ 3,691,168</b>	<b>\$ 5,045,440</b>	<b>\$ 6,011,246</b>	<b>\$ 7,225,441</b>	<b>\$ 11,459,639</b>
All Other Governmental Funds:										
Restricted	\$ 1,049,050	\$ 85,622	\$ 71,907	\$ 17,811,339	\$ 9,009,824	\$ 4,713,173	\$ 4,533,079	\$ 1,955,766	\$ 1,070,777	\$ 993,067
Committed		58,708	174,968	903,348	87,255	87,255	87,255	87,255	87,255	
Unassigned, Reported in:										
Capital Projects Fund	14,876									
Debt Service Fund										(100)
<b>Total All Other Governmental Funds</b>	<b>\$ 1,063,926</b>	<b>\$ 144,330</b>	<b>\$ 246,875</b>	<b>\$ 18,714,687</b>	<b>\$ 9,097,079</b>	<b>\$ 4,800,428</b>	<b>\$ 4,620,334</b>	<b>\$ 2,043,021</b>	<b>\$ 1,158,032</b>	<b>\$ 992,967</b>
<b>Total Governmental Funds</b>	<b>\$ 4,294,881</b>	<b>\$ 3,771,221</b>	<b>\$ 4,018,384</b>	<b>\$ 21,200,001</b>	<b>\$ 12,162,492</b>	<b>\$ 8,491,596</b>	<b>\$ 9,665,774</b>	<b>\$ 8,054,267</b>	<b>\$ 8,383,473</b>	<b>\$ 12,452,606</b>

\*- Restated

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL 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	\$ 37,792,600	\$ 37,551,082	\$ 38,293,269	\$ 39,801,143	\$ 41,576,097	\$ 43,560,879	\$ 44,669,311	\$ 46,120,838	\$ 47,221,565	\$ 48,589,849
Tuition from Other LEA's				4,592	28,677	39,547	78,049	28,223	14,680	13,320
Tuition from Individuals			26,828	25,522	28,472	24,520				
Transportation Fees	1,161	1,424	1,773	6,148	4,685	8,324	10,535	17,570	55,688	83,677
Rents and Royalties				76,785	85,961	132,486	127,633	161,205	94,080	5,214
Interest Earned on Capital Reserve Funds	92	101	2,329	3,214	449	609	5,069	40,001	34,531	8,190
Miscellaneous	228,282	250,722	318,689	201,891	482,790	289,553	642,132	285,157	273,036	540,474
State Sources	4,576,840	5,658,392	5,246,481	5,941,620	6,969,131	7,604,288	8,360,697	10,131,124	10,246,597	12,392,636
Federal Sources	677,131	590,289	960,664	797,730	1,105,895	1,048,071	970,584	837,989	807,262	1,206,926
<b>Total Revenue</b>	<b>43,276,106</b>	<b>44,052,010</b>	<b>44,850,033</b>	<b>46,858,645</b>	<b>50,282,157</b>	<b>52,708,277</b>	<b>54,864,010</b>	<b>57,622,107</b>	<b>58,747,439</b>	<b>62,840,286</b>
Expenditures:										
Instruction:										
Regular Instruction	12,663,677	12,364,390	12,488,647	13,115,671	13,278,595	13,292,141	13,594,248	14,087,672	14,446,896	15,541,584
Special Education Instruction	2,770,617	2,934,542	3,485,438	3,540,324	3,687,893	3,834,722	3,982,573	3,970,472	4,335,680	4,411,058
Other Special Instruction	311,496	215,809	192,571	186,693	229,197	170,664	187,413	322,504	242,887	160,154
School-Sponsored/Other Instruction	1,029,678	1,070,315	1,100,445	1,137,496	1,227,617	1,308,775	1,321,568	1,398,381	1,288,122	1,212,920
Support Services:										
Tuition	2,510,239	2,591,562	2,201,414	2,760,285	2,472,465	2,634,435	2,458,883	2,435,394	2,744,912	2,384,057
Student & Other Instruction Related Services	4,664,312	4,873,166	5,152,377	5,413,031	6,088,655	6,224,473	6,371,531	7,286,538	6,693,937	7,065,326
General Administrative Services	631,702	543,184	511,712	524,083	530,010	557,575	624,685	613,466	715,082	733,290
School Administrative Services	1,827,199	1,774,829	1,798,218	1,790,915	1,823,562	1,888,836	1,939,895	1,902,855	1,910,827	1,916,510
Central Services	564,932	465,764	466,973	542,591	492,065	533,077	505,594	534,633	641,678	596,266
Administrative Information Technology	562,857	602,217	832,683	629,266	833,117	697,518	623,303	547,364	456,370	590,247
Plant Operations and Maintenance	3,622,480	3,770,095	4,620,397	3,954,120	3,981,547	3,913,382	4,030,562	4,863,132	5,003,420	4,132,324
Student Transportation	1,036,595	1,222,320	1,123,218	1,118,579	1,344,658	1,530,196	1,270,795	1,100,220	993,400	868,286
Allocated Benefits					2,940,097	3,243,710	3,697,787	3,222,305	4,317,842	4,751,628
Unallocated Benefits	9,120,191	9,897,159	9,604,165	10,467,706	8,173,163	8,959,389	9,634,718	10,950,034	10,474,314	11,116,892
Capital Outlay	2,539,546	1,100,375	628,283	1,582,043	10,381,401	4,762,102	3,646,846	3,262,672	2,193,288	492,826
Debt Service:										
Principal	645,000	645,000	680,000	860,000	860,000	1,940,000	1,785,000	1,985,000	2,010,000	2,110,000
Interest and Other Charges	584,922	558,315	530,988	499,225	975,624	888,178	814,431	750,972	687,425	628,300
<b>Total Expenditures</b>	<b>45,085,443</b>	<b>44,629,042</b>	<b>45,417,529</b>	<b>48,122,028</b>	<b>59,319,666</b>	<b>56,379,173</b>	<b>56,489,832</b>	<b>59,233,614</b>	<b>59,156,080</b>	<b>58,711,668</b>

CALDWELL-WEST CALDWELL 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/(Deficit) of Revenues Over/(Under)										
Expenditures	<u>\$ (1,809,337)</u>	<u>\$ (577,032)</u>	<u>\$ (567,496)</u>	<u>\$ (1,263,383)</u>	<u>\$ (9,037,509)</u>	<u>\$ (3,670,896)</u>	<u>\$ (1,625,822)</u>	<u>\$ (1,611,507)</u>	<u>\$ (408,641)</u>	<u>\$ 4,128,618</u>
Other Financing Sources/(Uses):										
School Refunding Bonds Issued					7,350,000					
Serial Bonds Issued				18,205,000			2,800,000			
Bond Premium					804,913					
Serial Bonds Defeased					(7,435,000)					
Bond Issuance Costs					(114,828)					
Deferred amount on Refunding					(605,085)					
Capital Leases				240,000						
Transfers			6,871							
Special Item		(18,534)								(59,485)
Total Other Financing Sources/(Uses)	<u>-0-</u>	<u>(18,534)</u>	<u>814,659</u>	<u>18,445,000</u>	<u>-0-</u>	<u>-0-</u>	<u>2,800,000</u>	<u>-0-</u>	<u>-0-</u>	<u>(59,485)</u>
Net Change in Fund Balances	<u>\$ (1,809,337)</u>	<u>\$ (595,566)</u>	<u>\$ 247,163</u>	<u>\$ 17,181,617</u>	<u>\$ (9,037,509)</u>	<u>\$ (3,670,896)</u>	<u>\$ 1,174,178</u>	<u>\$ (1,611,507)</u>	<u>\$ (408,641)</u>	<u>\$ 4,069,133</u>
Debt Service as a % of Noncapital Expenditures	<u>2.89%</u>	<u>2.76%</u>	<u>2.70%</u>	<u>2.92%</u>	<u>3.75%</u>	<u>5.48%</u>	<u>4.92%</u>	<u>4.89%</u>	<u>4.74%</u>	<u>4.70%</u>



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

Fiscal Year Ending June 30,	Interest	Tuition	Gate Receipts	Trans- portation Fees	Rentals	Prior Year Refunds	Other	Total
2012	\$ 1,826		\$ 36,395	\$ 1,161	\$ 75,682	\$100,615	\$ 6,856	\$ 222,535
2013	672	\$ 24,597	38,098	1,424	66,488	60,665	50,586	242,530
2014	1,251	26,828	13,639	1,773	69,681	25,990	98,677	237,839
2015	448	30,114	12,273	6,148	76,785	42,898	80,144	248,810
2016	11,220	57,149	12,320	4,685	85,961	91,351	100,427	363,113
2017	11,603	64,067	15,889	8,324	132,486	37,783	116,760	386,912
2018	38,619	78,049	14,075	10,535	127,633	66,492	69,239	404,642
2019	101,572	28,223	7,057	17,570	161,205	16,847	99,949	432,423
2020	70,974	14,680	13,546	55,688	94,080	14,320	156,216	419,504
2021	23,106	13,320		83,677	5,214	71,562	110,106	306,985

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31	Vacant Land	Residential	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
<u>Borough of Caldwell</u>												
2011	\$ 4,840,100	\$ 816,333,350	\$ -0-	\$ 128,437,200	\$ -0-	\$ 77,655,000	\$ 1,027,265,650	\$ 4,245,536	\$ 1,031,511,186	\$ 125,773,000	\$ 1.14	\$ 1,114,440,103
2012	4,583,200	809,028,850	-0-	127,391,700	-0-	77,155,000	1,018,158,750	4,262,527	1,022,421,277	126,177,800	1.15	1,074,905,267
2013	3,667,600	803,292,350	-0-	126,905,900	-0-	76,785,100	1,010,650,950	3,742,536	1,014,393,486	126,250,300	1.15	1,026,083,311
2014	3,505,600	800,217,350	-0-	125,410,900	-0-	75,779,900	1,004,913,750	3,398,338	1,008,312,088	126,250,300	1.18	1,000,936,821
2015	3,219,600	803,972,450	-0-	121,488,700	-0-	75,779,900	1,004,460,650	3,118,098	1,007,578,748	126,250,300	1.26	1,064,904,624
2016	3,035,300	792,493,600	-0-	120,879,700	-0-	75,779,900	992,188,500	3,177,900	995,366,400	128,315,500	1.37	1,111,963,138
2017	3,685,800	804,887,800	-0-	128,263,100	-0-	91,967,400	1,028,804,100	3,534,500	1,032,338,600	261,463,500	1.36	1,089,486,704
2018	3,079,100	804,675,200	-0-	126,859,900	-0-	90,397,700	1,025,011,900	3,164,000	1,028,175,900	263,220,900	1.38	1,160,886,094
2019	2,752,900	809,920,200	-0-	126,330,800	-0-	90,397,700	1,029,401,600	3,239,700	1,032,641,300	262,576,000	1.44	1,161,725,651
2020	2,768,600	811,041,500	-0-	126,814,900	-0-	90,397,700	1,031,022,700	3,326,000	1,034,348,700	262,732,300	1.45	1,158,963,575
<u>Township of West Caldwell</u>												
2011	* \$ 14,481,200	\$ 1,514,974,700	\$ 81,800	\$ 347,629,600	\$ 338,616,100	\$ 16,160,900	\$ 2,231,944,300	\$ 1,552,700	\$ 2,233,497,000	\$ 133,024,264	\$ 1.17	\$ 2,417,264,444
2012	14,147,200	1,514,131,500	81,800	346,533,400	338,019,100	16,160,900	2,229,073,900	1,464,400	2,230,538,300	133,513,064	1.16	2,349,678,860
2013	20,189,800	1,512,331,600	81,800	342,256,700	334,247,000	16,160,900	2,225,267,800	1,633,200	2,226,901,000	134,552,264	1.18	2,346,745,819
2014	18,252,600	1,521,720,400	81,800	337,907,200	330,394,600	15,683,900	2,224,040,500	1,369,200	2,225,409,700	132,903,364	1.22	2,249,860,770
2015	15,436,100	1,532,626,400	81,800	339,895,200	331,551,200	15,683,900	2,235,274,600	1,442,400	2,236,717,000	133,733,464	1.31	2,183,656,002
2016	11,956,300	1,544,338,600	81,800	337,384,300	331,022,200	17,783,900	2,242,567,100	1,425,500	2,243,992,600	134,599,564	1.26	2,303,581,422
2017	12,550,700	1,549,818,100	81,800	332,431,900	328,425,500	24,265,600	2,247,573,600	1,378,900	2,248,952,500	134,826,400	1.34	2,407,987,039
2018	17,912,200	1,556,160,600	79,200	326,220,300	332,768,500	24,265,600	2,257,406,400	1,318,900	2,258,725,300	134,389,400	1.37	2,506,672,943
2019	12,959,500	1,561,600,400	79,200	333,000,600	330,399,000	24,265,600	2,262,304,300	1,327,100	2,263,631,400	135,900,500	1.42	2,537,089,119
2020	11,924,500	1,568,574,500	46,200	342,515,400	333,393,300	24,265,600	2,280,719,500	1,374,300	2,282,093,800	135,143,400	1.44	2,528,368,130

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

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

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

\* Revaluation became effective in this year.

Source: Borough of Caldwell and Township of West Caldwell Tax Assessor.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(Rate per \$100 of Assessed Value)*

Year Ended December 31,	Caldwell-West Caldwell School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Caldwell	Essex County	
2011	\$ 1.11	\$ 0.03	\$ 1.14	\$ 0.69	\$ 0.48	\$ 2.31
2012	1.13	0.03	1.15	0.71	0.48	2.35
2013	1.13	0.03	1.15	0.72	0.50	2.37
2014	1.15	0.03	1.18	0.72	0.52	2.42
2015	1.22	0.04	1.26	0.73	0.55	2.54
2016	1.31	0.06	1.37	0.75	0.58	2.70
2017	1.30	0.06	1.36	0.75	0.55	2.66
2018	1.32	0.06	1.38	0.77	0.56	2.71
2019	1.38	0.06	1.44	0.81	0.55	2.79
2020	1.39	0.06	1.45	0.80	0.55	2.80

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

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

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

Source: Borough of Caldwell Tax Collector and School Business Administrator.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(Rate per \$100 of Assessed Value)*

Year Ended December 31,	Caldwell-West Caldwell School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	Debt Service <sup>b</sup>	Total Direct	Township of West Caldwell	Essex County	
2011	\$ 1.14	\$ 0.03	\$ 1.17	\$ 0.55	\$ 0.48	\$ 2.20
2012	1.13	0.03	1.16	0.55	0.49	2.19
2013	1.15	0.03	1.18	0.56	0.52	2.26
2014	1.19	0.03	1.22	0.56	0.53	2.30
2015	1.27	0.04	1.31	0.57	0.51	2.39
2016	1.20	0.06	1.26	0.57	0.53	2.36
2017	1.28	0.06	1.34	0.58	0.55	2.48
2018	1.31	0.06	1.37	0.60	0.56	2.53
2019	1.36	0.06	1.42	0.62	0.54	2.58
2020	1.38	0.06	1.44	0.63	0.54	2.61

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

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

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

Source: Township of West Caldwell Tax Collector and School Business Administrator.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO

Borough of Caldwell

Taxpayer	2020		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Ralf Ashland Urban Ren LLC	\$ 16,486,400	1	1.59%
Westover Associates	14,489,600	2	1.37%
Carlyle Towers, LLC/Partnership	9,443,700	3	0.89%
Philip Hillside Realty, LLC	9,115,100	4	0.86%
Panyork Group LLC	8,941,600	5	0.84%
Caldwell Plaza Inc.	6,119,700	6	0.58%
Rumsey Park Association LLC (co/ AFLTD Mgt)	4,742,500	7	0.44%
Parkview Commons Apartments LLC	4,262,200	8	0.40%
Sidebrook Associates (c/o K. Shalit)	4,251,300	9	0.40%
S&S @ 550 Bloomfield Avenue	4,042,500	10	0.39%
Total	<u>\$ 81,894,600</u>		<u>7.76%</u>

Taxpayer	2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Westover Associates	\$ 11,173,615	1	1.08%
Carlyle Towers, A Partnership	8,717,285	2	0.84%
Panyork Group, Inc.	7,997,189	3	0.77%
Caldwell Plaza, Inc	6,594,014	4	0.64%
Hillside Realty	6,497,629	5	0.63%
NJ Bell Atlantic	5,511,233	6	0.53%
S&S 550 Bloomfield Avenue, LLC.	4,988,889	7	0.48%
Parkview Common Apartments	4,131,997	8	0.40%
Sidebrook Associates	3,601,479	9	0.35%
Rumsey Park Assoc.	3,555,082	10	0.34%
			<u>6.06%</u>

Source: Borough of Caldwell Tax Assessor.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO

Township of West Caldwell

Taxpayer	2020		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lutheran Social Ministries, Inc.	\$ 81,000,000	1	3.53%
GR/SS Caldwell	38,200,000	2	1.67%
Toyota Motor Sales	32,033,900	3	1.40%
Lohmann Therapy Systems	32,016,600	4	1.40%
Leknarf Associates LLC	26,571,700	6	1.16%
West Caldwell Plaza	22,911,600	5	1.00%
Bprep 10 Patton LLC	19,816,300	6	0.86%
Mountain Ridge Country Club	19,642,900	7	0.86%
CMI Essex Property LLC	19,500,000	8	0.85%
MBF Auto RE	16,903,800	9	0.74%
Total	<u>\$ 308,596,800</u>		<u>13.45%</u>

Taxpayer	2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lutherman Social Ministies, Inc.	\$ 81,000,000	1	7.11%
GR/SS Caldwell	38,433,800	2	3.37%
LTS Lohmann Therapy Sessions	32,498,600	3	2.85%
Toyota Motor Sales	32,033,900	4	2.81%
West Caldwell Plaza	22,911,600	5	2.01%
CMI Essex Property	20,420,000	6	1.04%
Mountain Ridge Country Club	19,642,900	7	1.72%
Leknarf Associates LLC	17,767,000	8	1.56%
Henderson Drive LLC	16,943,500	9	1.49%
Eagle Rock Convalescent	14,200,000	10	1.42%
Total	<u>\$ 295,851,300</u>		<u>25.98%</u>

Source: Township of West Caldwell Tax Assessor.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy</u> <sup>a</sup>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
<u>Borough of Caldwell</u>				
2012	\$ 11,589,876	\$ 11,589,876	100.00%	\$ -0-
2013	11,726,967	11,726,967	100.00%	-0-
2014	11,624,823	11,624,823	100.00%	-0-
2015	12,227,880	12,227,880	100.00%	-0-
2016	13,628,983	13,628,983	100.00%	-0-
2017	14,181,660	14,181,660	100.00%	-0-
2018	13,916,366	13,916,366	100.00%	-0-
2019	14,598,531	14,598,531	100.00%	-0-
2020	14,831,396	14,831,396	100.00%	-0-
2021	15,272,254	15,272,254	100.00%	-0-
<u>Township of West Caldwell</u>				
2012	\$ 25,236,275	\$ 25,236,275	100.00%	\$ -0-
2013	25,824,115	25,824,115	100.00%	-0-
2014	26,668,446	26,668,446	100.00%	-0-
2015	27,573,263	27,573,263	100.00%	-0-
2016	27,947,114	27,947,114	100.00%	-0-
2017	29,379,219	29,379,219	100.00%	-0-
2018	30,752,945	30,752,945	100.00%	-0-
2019	31,522,307	31,522,307	100.00%	-0-
2020	32,390,169	32,390,169	100.00%	-0-
2021	33,317,595	33,317,595	100.00%	-0-

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

Source: Borough of Caldwell and Township of West Caldwell School District records including the Certificate and Report of School Taxes (A4F form).

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities Capital Leases	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Obligations Under Capital Leases				
2012	\$ 13,475,000	\$ 122,204	\$ -0-	\$ 13,597,204	1.33%	\$ 730
2013	12,830,000	317,096	-0-	13,147,096	1.26%	705
2014	12,150,000	225,115	-0-	12,375,115	1.13%	661
2015	29,495,000	325,888	-0-	29,820,888	2.60%	1,585
2016	28,550,000	185,890	-0-	28,735,890	2.44%	1,523
2017	26,610,000	-0-	-0-	26,610,000	2.20%	1,410
2018	27,625,000	-0-	-0-	27,625,000	2.25%	1,465
2019	25,640,000	-0-	-0-	25,640,000	2.01%	1,359
2020	23,480,000	-0-	-0-	23,480,000	1.85%	1,251
2021	21,210,000	-0-	-0-	21,210,000	1.67%	1,130

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

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

Source: Caldwell-West Caldwell School District Financial Reports.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2012	\$ 13,475,000	\$ -0-	\$ 13,475,000	0.41%	\$ 724
2013	12,830,000	-0-	12,830,000	0.39%	688
2014	12,150,000	-0-	12,150,000	0.37%	649
2015	29,495,000	-0-	29,495,000	0.91%	1,567
2016	28,550,000	-0-	28,550,000	0.88%	1,514
2017	26,610,000	-0-	26,610,000	0.82%	1,410
2018	27,625,000	-0-	27,625,000	0.84%	1,465
2019	25,640,000	-0-	25,640,000	0.78%	1,359
2020	23,480,000	-0-	23,480,000	0.71%	1,251
2021	21,210,000	-0-	21,210,000	0.64%	1,130

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

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

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

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes:			
Borough of Caldwell	\$ 16,333,843	100.000%	\$ 16,333,843
Township of West Caldwell	29,008,785	100.000%	29,008,785
Essex County General Obligation Debt:			
Borough of Caldwell Share	649,227,780	1.248%	8,103,437
Township of West Caldwell Share	649,227,780	2.723%	17,678,272
Subtotal, Overlapping Debt			71,124,337
Caldwell-West Caldwell School District Direct Debt			22,130,000
Total Direct and Overlapping Debt			<u>\$ 93,254,337</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Caldwell and West Caldwell. 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.

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.

Sources: Assessed value data used to estimate applicable percentages provided by the Essex County Board of Taxation; debt outstanding data provided by each governmental unit.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 137,991,210	\$ 137,007,357	\$ 133,495,293	\$ 130,884,976	\$ 131,419,808	\$ 134,538,024	\$ 140,180,783	\$ 143,729,131	\$ 146,059,333	\$ 147,077,434
Total Net Debt Applicable to Limit	<u>13,475,000</u>	<u>12,830,000</u>	<u>12,150,000</u>	<u>29,495,000</u>	<u>28,550,000</u>	<u>26,610,000</u>	<u>27,625,000</u>	<u>25,640,000</u>	<u>23,480,000</u>	<u>21,210,000</u>
Legal Debt Margin	<u>\$ 124,516,210</u>	<u>\$ 124,177,357</u>	<u>\$ 121,345,293</u>	<u>\$ 101,389,976</u>	<u>\$ 102,869,808</u>	<u>\$ 107,928,024</u>	<u>\$ 112,555,783</u>	<u>\$ 118,089,131</u>	<u>\$ 122,579,333</u>	<u>\$ 125,867,434</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	9.77%	9.36%	9.10%	22.54%	21.72%	19.78%	19.71%	17.84%	16.08%	14.42%

Legal Debt Margin Calculation for Fiscal Year 2021

	Borough of Caldwell	Township of West Caldwell	Total
Equalized valuation basis:			
2020	\$ 1,211,257,871	\$ 2,506,285,165	\$ 3,717,543,036
2019	1,148,885,714	2,496,198,058	3,645,083,772
2018	1,148,472,717	2,519,708,003	3,668,180,720
			<u>11,030,807,528</u>
Average Equalized Valuation of Taxable Property			<u>\$ 3,676,935,843</u>
Debt Limit (4% of average equalization value) <sup>a</sup>			\$ 147,077,434
Net Bonded School Debt			<u>21,210,000</u>
Legal Debt Margin			<u>\$ 125,867,434</u>

<sup>a</sup> Limit set by NJSIA 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Borough of Caldwell

Year	Population <sup>a</sup>	Essex County Per Capita Personal Income <sup>b</sup>	Borough of Caldwell Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2012	7,913	\$ 55,054	\$ 435,642,302	5.10%
2013	7,918	55,808	441,887,744	6.50%
2014	7,928	58,487	463,684,936	5.40%
2015	7,953	60,840	483,860,520	5.10%
2016	7,980	62,334	497,425,320	4.50%
2017	7,986	64,232	512,956,752	3.80%
2018	7,975	65,214	520,081,650	3.40%
2019	7,977	67,657	539,699,889	3.60%
2020	7,943	67,657 *	537,399,551	8.70%
2021	7,943 **	67,657 *	537,399,551 ***	N/A

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

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

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

N/A - Information is not available.

Sources:

- <sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.
- <sup>b</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- <sup>c</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.
- <sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Township of West Caldwell

Year	Population <sup>a</sup>	Essex County Per Capita Personal Income <sup>b</sup>	Township of West Caldwell Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2012	10,711	\$ 55,054	\$ 589,683,394	7.20%
2013	10,722	55,808	598,373,376	4.00%
2014	10,803	58,487	631,835,061	5.10%
2015	10,867	60,840	661,148,280	4.10%
2016	10,882	62,334	678,318,588	4.00%
2017	10,880	64,232	698,844,160	3.80%
2018	10,886	65,214	709,919,604	3.20%
2019	10,886	67,657	736,514,102	4.40%
2020	10,828	67,657 *	732,589,996	8.90%
2021	10,828 **	67,657 *	732,589,996 ***	N/A

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

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

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

N/A - Information is not available.

Sources:

- <sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.
- <sup>b</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- <sup>c</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.
- <sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF ESSEX  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2020		
	Employees	Rank	Percentage of Total Employment
Prudential Ins. Co. of America	49,705	1	14.72%
St. Barnabas Health Care System	24,600	2	7.28%
Rutgers University-Newark Campus	23,980	3	7.10%
Verizon	15,000	4	4.44%
Public Service Electric & Gas	12,945	5	3.83%
New Jersey Transit	11,500	6	3.41%
City of Newark	10,001	7	2.96%
Montclair State University	7,900	8	2.34%
Newark Board of Education	7,050	9	2.09%
Gateway Group One	5,649	10	1.67%
	<u>168,330</u>		<u>49.85%</u>
Total Employment	<u>337,700</u>		
Employer	2011		
	Employees	Rank	Percentage of Total Employment
St. Barnabas Health Care System	23,000	1	6.81%
Verizon	17,100	2	5.06%
Prudential Ins. Co. of America	16,850	3	4.99%
University of Medicine and Dentistry of NJ	15,500	4	4.59%
Continental Airlines	11,000	5	3.26%
Newark Board of Education	7,050	6	2.09%
Automatic Data Processing	5,649	7	1.67%
New Jersey Transit	4,000	8	1.18%
Essex County	3,900	9	1.15%
City of Newark	4,000	10	1.18%
	<u>108,049</u>		<u>32.00%</u>
Total Employment	<u>330,100</u>		

Source: Essex County Economic Development Corporation

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Instruction:										
Regular	161	164	160	165	165	159	164	164	166	181
Special Education	46	46	47	45	45	50	55	57	59	57
Other Special Education	11	8	8	7						
Support Services:										
Student & Instruction Related Services	50	54	55	42	41	41	41	41	42	45
School Administration	22	24	24	23	22	22	21	22	22	28
General Administration	10	5	5	4	4	5	5	5	6	7
Central Services	6	6	6	6	7	6	7	7	7	6
Plant Operations and Maintenance	40	36	37	36	35	32	35	34	33	39
Pupil Transportation	4	4	2	2	2	2	5	7	8	
Total	<u>350</u>	<u>347</u>	<u>344</u>	<u>330</u>	<u>321</u>	<u>317</u>	<u>333</u>	<u>337</u>	<u>343</u>	<u>363</u>

Source: Caldwell-West Caldwell School District Personnel Records.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year End June 30,	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2012	2,586	\$ 41,315,975	\$ 15,977	3.44%	236	1:15	1:17	1:14	2,602	2,494	0.19%	95.85%
2013	2,631	42,325,352	16,087	0.69%	238	1:15	1:17	1:14	2,596	2,514	-0.23%	96.84%
2014	2,637	43,578,258	16,526	2.73%	238	1:15	1:17	1:14	2,635	2,522	1.50%	95.71%
2015	2,643	45,180,760	17,094	3.44%	238	1:10	1:11	1:12	2,652	2,527	0.65%	95.29%
2016	2,664	47,102,641	17,681	3.43%	238	1:10	1:11	1:12	2,658	2,566	0.23%	96.54%
2017	2,609	48,788,893	18,700	5.76%	233	1:10	1:11	1:12	2,614	2,508	-1.66%	95.94%
2018	2,621	50,243,555	19,170	2.51%	238	1:10	1:11	1:12	2,621	2,493	0.27%	95.12%
2019	2,626	53,234,970	20,272	5.75%	238	1:10	1:11	1:12	2,626	2,515	0.19%	95.77%
2020	2,687	54,265,367	20,196	-0.38%	242	1:10	1:11	1:12	2,687	2,605	2.32%	96.95%
2021	2,623	55,480,542	21,152	4.73%	238	1:10	1:11	1:12	2,623	2,545	-2.38%	97.03%

Note: Enrollment based on annual October District count.

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay.

<sup>b</sup> Cost Per Pupil calculated above is the sum of operating expenditures divided by enrollment. This may be different from the State's Cost Per Pupil calculations.

<sup>c</sup> Teaching staff includes only full-time equivalents of certificated staff.

<sup>d</sup> Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Caldwell-West Caldwell School District Personnel Records.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

District Building	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Jefferson School (1954)										
Square Feet	37,369	37,369	37,369	37,369	37,369	37,369	37,369	37,369	37,369	37,369
Capacity (Students)	350	350	350	350	350	350	350	350	350	350
Enrollment	309	307	320	326	294	294	273	273	276	264
Lincoln School (1915)										
Square Feet	35,461	35,461	35,461	35,461	35,461	35,461	35,461	35,461	35,461	35,461
Capacity (Students)	350	350	350	350	350	350	350	350	350	350
Enrollment	237	256	252	246	237	237	246	251	257	260
Washington School (1948)										
Square Feet	46,319	46,319	46,319	46,319	46,319	46,319	46,319	46,319	46,319	46,319
Capacity (Students)	523	523	523	523	523	523	523	523	523	523
Enrollment	362	372	354	346	360	360	367	354	397	369
Wilson School (1958)										
Square Feet	35,996	35,996	35,996	35,996	35,996	35,996	35,996	35,996	35,996	35,996
Capacity (Students)	350	350	350	350	350	350	350	350	350	350
Enrollment	255	245	248	298	288	288	250	240	257	253
Grover Cleveland Middle School (1925)										
Square Feet	114,670	114,670	114,670	114,670	114,670	114,670	114,670	114,670	114,670	114,670
Capacity (Students)	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256
Enrollment	645	647	637	626	633	633	628	638	642	623
James Caldwell High School (1960)										
Square Feet	127,023	127,023	127,023	127,023	127,023	127,023	127,023	127,023	127,023	127,023
Capacity (Students)	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Enrollment	757	781	792	801	795	795	806	811	823	832

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

District Building	2012	2013	2014	2015	2016	2017	2018	2019	2021	2021
Harrison School Building										
Square Feet	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759
Enrollment - PSD	21	23	34	42	42	42	50	50	50	22
Maintenance Shop										
Square Feet	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Field House										
Square Feet	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100

Number of Schools at June 30, 2021

Elementary = 4  
Middle School = 1  
High School = 1  
Other = 3

Source: Caldwell-West Caldwell School District Personnel Records.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities\*  
 Account Number 11-000-261-XXX

Fiscal Year Ended June 30,	Jefferson Elementary School	Lincoln Elementary School	Washington Elementary School	Wilson Elementary School	Harrison School Building	Grover Cleveland Middle School	James Caldwell High School	Total
2012	\$ 101,893	\$ 102,931	\$ 129,790	\$ 91,582	\$ 92,590	\$ 228,456	\$ 377,612	\$ 1,124,854
2013	136,869	66,961	98,144	89,060	159,225	303,942	470,565	1,324,766
2014	86,994	70,353	90,428	73,210	87,956	1,281,104	302,879	1,992,924
2015	71,642	69,049	81,395	61,353	87,991	465,735	498,475	1,335,640
2016	138,943	108,551	146,318	96,632	119,897	424,960	425,428	1,460,729
2017	217,222	132,395	140,765	157,169	206,388	279,745	369,665	1,503,350
2018	189,058	106,935	214,661	104,179	239,074	387,761	472,692	1,714,360
2019	156,675	121,814	181,130	143,597	162,525	629,849	724,312	2,119,902
2020	135,341	217,239	178,449	284,224	225,809	478,929	557,659	2,077,650
2021	150,126	134,314	147,108	195,607	185,998	211,947	267,326	1,292,426

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

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2021  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund (SAIF):		
School Package Policy:		
Building & Personal Property	\$ 500,000,000	\$ 2,500
Inland Marine - Auto Physical Damage		\$ 1,000
General Liability including Auto, Employee Benefits:	5,000,000	
Per Occurrence		
General Aggregate	Agreed Upon Based on Membership	
Product/Completed Ops		
Personal Injury		
Fire Damage	2,500,000	
Medical Expenses		
(excluding students taking part in athletics)	10,000	
Automobile Coverage	10,000,000 /Occurance	1,000
Combined Single Limit		
Hired/Non-owned		
Environmental Impairment Liability	1,000,000 / 25,000,000 Fund Aggregate	10,000
Crime Coverage	50,000 Inside/Outside	1,000
Blanket Dishonesty Bond	500,000	1,000
Boiler and Machinery	100,000,000	1,000
Excess Liability (AL/GL/SLPL)	10,000,000	
School Board Legal Liability	5,000,000 / 5,000,000	5,000
Workers' Compensation:	Statutory	
Employer's Liability	5,000,000	
Supplemental Indemnity	Statutory	
Public Officials' Bonds - Selective Insurance Company of America:		
Treasurer of School Monies	300,000 Selective Insurance	
Business Administrator/Board Secretary	300,000 Selective Insurance	
Student Accident/Athletes only - Bollinger	6,000,000 All Students and Athletes	

Source: Caldwell-West Caldwell School District records.

SINGLE AUDIT SECTION



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

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

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

Independent Member  
BKR International

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Caldwell-West Caldwell School District  
County of Essex, 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 Caldwell-West Caldwell School District, in the County of Essex (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 January 20, 2022.

### **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  
Caldwell-West Caldwell School District  
Page 2

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

January 20, 2022  
Mount Arlington, New Jersey

*Nisivoccia, LLP*  
NISIVOCCIA, LLP

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



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

11 Lawrence Road  
Newton, NJ 07860  
973.383.6699

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

Independent Member  
BKR International

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Caldwell-West Caldwell School District  
County of Essex, New Jersey

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

We have audited the Caldwell-West Caldwell 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  
Caldwell-West Caldwell School District  
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.

January 20, 2022  
Mount Arlington, New Jersey

*Nisivoccia, LLP*  
NISIVOCCIA, LLP

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2021		Amounts Paid to Subrecipients
					Budgetary Accounts Receivable	Budgetary Unearned Revenue				Budgetary Accounts Receivable	Budgetary Unearned Revenue	
<u>U.S. Department of Health and Human Services:</u>												
<u>General Fund:</u>												
Medicaid Cluster:												
Medical Assistance Program	93.778	N/A	7/1/20-6/30/21	\$ 31,386				\$ 31,386	\$ (31,386)			
Families First Coronavirus Response Act/SEMI	93.778	N/A	1/1/20-12/31/20	1,432				1,432	(1,432)			
Total Genral Fund/Medicaid Cluster								32,818	(32,818)			
<u>U.S. Department of Education:</u>												
Passed-through State Department of Education:												
<u>Special Revenue Fund:</u>												
Special Education Cluster:												
I.D.E.A. Part B, Basic	84.027	IDEA066021	7/1/20-9/30/21	661,067				625,159	(625,159)			
I.D.E.A. Part B, Basic	84.027	IDEA066020	7/1/19-9/30/20	612,805	\$ (1,005)			1,005				
I.D.E.A. Preschool	84.173	IDEA066021	7/1/20-9/30/21	20,357				19,963	(19,963)			
Total Special Education Cluster					(1,005)			646,127	(645,122)			
Elementary and Secondary Education Act:												
Title I	84.010	ESEA066021	7/1/20-9/30/21	277,974				107,375	(137,323)	\$ (29,948)		
Title I	84.010	ESEA066020	7/1/19-9/30/20	224,138	(29,714)			29,714				
Total Title I					(29,714)			137,089	(137,323)	(29,948)		
Title II	84.367A	ESEA066021	7/1/20-9/30/21	48,785				46,965	(46,965)			
Title II	84.367A	ESEA066020	7/1/19-9/30/20	53,672	(4,836)			4,836				
Total Title II					(4,836)			51,801	(46,965)			
Title III	84.365A	ESEA066021	7/1/20-9/30/21	25,860				10,959	(21,614)	(10,655)		
Total Title III								10,959	(21,614)	(10,655)		
Title III Immigrant	84.365A	ESEA066021	7/1/20-9/30/21	2,878				45	(1,081)	(1,036)		
Title III Immigrant	84.365A	ESEA066020	7/1/19-9/30/20	2,326	(2,326)			2,326				
Total Title III Immigrant					(2,326)			2,371	(1,081)	(1,036)		
Education Stabilization Fund:												
COVID 19 - CARES Emergency Relief	84.425D	CARES066020	3/13/20-9/30/22	175,233	(138,178)			149,193	(11,015)			
COVID 19 - CRRSA ESSER II	84.425D	CARES066020	3/13/20-9/30/23	629,044					(63,463)	(63,463)		
Total Education Stabilization Fund:					(138,178)			149,193	(74,478)	(63,463)		
Total U.S. Department of Education					(176,059)			997,540	(926,583)	(105,102)		
<u>U.S. Department of Treasury:</u>												
Passed-through State Department of Education:												
COVID 19 - Nonpublic Digital Divide	21.019	N/A	7/16/20-10/31/20	10,875				10,875	(10,875)			
COVID 19 - Digital Divide	21.019	N/A	7/16/20-10/31/20	52,557				52,557	(52,557)			
COVID 19 - Coronavirus Relief Fund	21.019	N/A	3/13/21-12/31/21	98,967				98,967	(98,967)			
Total U.S. Department of Treasury								162,399	(162,399)			
Total Special Revenue Fund					(176,059)			1,159,939	(1,088,982)	(105,102)		

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2021		Amounts Paid to Subrecipients
					Budgetary Accounts Receivable	Budgetary Unearned Revenue				Budgetary Accounts Receivable	Budgetary Unearned Revenue	
<u>U.S. Department of Agriculture:</u>												
Passed-through State Department of Agriculture:												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/19-6/30/20	\$ 9,523		\$ 3,155			\$ (3,155)			
Food Distribution Program	10.555	N/A	7/1/20-6/30/21	20,831			\$ 20,831	(17,371)		\$ 3,460		
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/20-6/30/21	225,418			193,592	(225,418)	\$ (31,826)			
COVID 19 - Seamless Summer Option - Snack	10.555	N/A	7/1/20-6/30/21	59,669			51,134	(59,669)	(8,535)			
COVID 19 - Seamless Summer Option	10.555	N/A	3/18/20-6/30/20	7,991	\$ (1,723)			1,723				
Total Child Nutrition Cluster					<u>(1,723)</u>	<u>3,155</u>		<u>267,280</u>	<u>(305,613)</u>	<u>(40,361)</u>	<u>3,460</u>	
Total Federal Awards					<u>\$ (177,782)</u>	<u>\$ 3,155</u>	<u>\$ -0-</u>	<u>\$ 1,460,037</u>	<u>\$ (1,427,413)</u>	<u>\$ (145,463)</u>	<u>\$ 3,460</u>	<u>\$ -0-</u>

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Cancellation of Prior Years' Balances	Balance at June 30, 2021		MEMO	
				Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor					GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>														
<b>General Fund State Aid:</b>														
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	\$ 1,360,040				\$ 1,233,649	\$ (1,360,040)				\$ (126,391)	\$ 1,360,040	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	226,292				205,262	(226,292)				(21,030)	226,292	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	342,698				310,850	(342,698)				(31,848)	342,698	
Extraordinary Special Education Costs Aid	21-495-034-5120-044	7/1/20-6/30/21	977,680					(977,680)			\$ (977,680)	(977,680)	977,680	
Excess Nonpublic Transportation Costs Reimbursed TPAF Social Security Contributions	21-495-034-5120-014	7/1/20-6/30/21	33,350					(33,350)			(33,350)	(33,350)	33,350	
On-Behalf TPAF Post Retirement Contributions	21-495-034-5094-003	7/1/20-6/30/21	1,529,803				1,455,439	(1,529,803)			(74,364)	(74,364)	1,529,803	
On-Behalf TPAF Pension Contributions	21-495-034-5094-001	7/1/20-6/30/21	1,686,462				1,686,462	(1,686,462)					1,686,462	
On-Behalf TPAF Pension Contributions	21-495-034-5094-002	7/1/20-6/30/21	5,280,970				5,280,970	(5,280,970)					5,280,970	
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-004	7/1/20-6/30/21	100,477				100,477	(100,477)					100,477	
On-Behalf TPAF Long-Term Disability Insurance Contributions	21-495-034-5094-004	7/1/20-6/30/21	2,973				2,973	(2,973)					2,973	
Special Education Aid	20-495-034-5120-089	7/1/19-6/30/20	1,257,414	\$ (117,958)			117,958						1,257,414	
Security Aid	20-495-034-5120-084	7/1/19-6/30/20	226,292	(21,228)			21,228						226,292	
Transportation Aid	20-495-034-5120-014	7/1/19-6/30/20	342,698	(32,149)			32,149						342,698	
Extraordinary Special Education Costs Aid	20-495-034-5120-044	7/1/19-6/30/20	652,731	(652,731)			652,731						652,731	
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	7/1/19-6/30/20	1,482,085	(72,726)			72,726						1,482,085	
<b>Subtotal - General Fund</b>				<b>(896,792)</b>			<b>11,172,874</b>	<b>(11,540,745)</b>				<b>(1,085,394)</b>	<b>(1,264,663)</b>	<b>15,501,965</b>
<b>Special Revenue Fund Aid:</b>														
<b>Nonpublic Auxiliary Services:</b>														
Compensatory Education	20-100-034-5120-067	7/1/19-6/30/20	21,902	(2,190)		\$ 16,061	2,190		\$ (16,061)				5,841	
Transportation	20-100-034-5120-068	7/1/19-6/30/20	20,223	(2,022)		16,396	2,022		(16,396)				3,827	
Home Instruction	20-100-034-5120-067	7/1/19-6/30/20	1,758	(1,758)			1,758						1,758	
<b>Nonpublic Handicapped Services:</b>														
Supplementary Instruction	21-100-034-5120-066	7/1/20-6/30/21	16,271				16,271	(11,494)			\$ 4,777		11,494	
Supplementary Instruction	20-100-034-5120-066	7/1/19-6/30/20	26,713	(2,408)		13,132	2,408		(13,132)				13,581	
Corrective Speech	20-100-034-5120-066	7/1/19-6/30/20	8,659	(2,408)			2,408						8,659	
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	23,789				23,789	(13,939)				9,850	13,939	
Examination and Classification	20-100-034-5120-066	7/1/19-6/30/20	33,441	(2,407)		13,004	2,407		(13,004)				20,437	

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2020				Budgetary Expenditures	Repayment of Prior Years' Balances	Cancellation of Prior Years' Balances	Balance at June 30, 2021		MEMO	
				Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor	Cash Received				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>Special Revenue Fund Aid:</b>														
N.J. Nonpublic Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	\$ 15,273				\$ 15,273	\$ (15,273)						\$ 15,273
N.J. Nonpublic Textbook Aid	20-100-034-5120-064	7/1/19-6/30/20	21,031			\$ 7,801			\$ (7,801)					13,230
N.J. Nonpublic Nursing Aid	21-100-034-5120-070	7/1/20-6/30/21	25,500				25,500	(25,500)						25,500
N.J. Nonpublic Technology Initiative	20-100-034-5120-373	7/1/19-6/30/20	14,364			5,328			(5,328)					9,036
N.J. Nonpublic Security Aid	21-100-034-5120-509	7/1/20-6/30/21	43,750				43,750	(43,750)						43,750
N.J. Nonpublic Security Aid	20-100-034-5120-509	7/1/19-6/30/20	59,850			22,200			(22,200)					37,650
Subtotal - Special Revenue Fund				\$ (13,193)		93,922	137,776	(109,956)	(93,922)		\$ 14,627			223,975
<b>Debt Service Fund Aid:</b>														
Debt Service Aid - State Support	21-100-034-5120-125	7/1/20-6/30/21	720,479				720,479	(720,479)						720,479
Subtotal - Debt Service Fund							720,479	(720,479)						720,479
<b>State Department of Education:</b>														
<b>Food Service Fund:</b>														
COVID-19 Seamless Summer Option	21-100-010-3350-023	7/1/20-6/30/21	13,877				10,196	(13,877)			\$ (3,681)	\$ (3,681)		13,877
COVID-19 Seamless Summer Option	20-100-010-3350-023	3/18/20-6/30/20	125	(27)			27							125
Subtotal - Food Service Fund				(27)			10,223	(13,877)			(3,681)	(3,681)		14,002
Total State Department of Education				(910,012)		93,922	12,041,352	(12,385,057)	(93,922)		(1,089,075)	14,627	(1,268,344)	16,460,421
<b>NJ Schools Development Authority:</b>														
<b>Capital Projects Fund:</b>														
Educational Facilities Construction and Financing Act:														
Jefferson Elementary HVAC/Boiler Project	0660-070-14-1001	2/03/11-6/30/16	587,795	(587,795)			528,310			\$ 59,485				528,310
Total NJ Schools Development Authority				(587,795)			528,310			59,485				528,310
Total State Awards				\$ (1,497,807)	\$ -0-	\$ 93,922	\$ 12,569,662	\$ (12,385,057)	\$ (93,922)	\$ 59,485	\$ (1,089,075)	\$ 14,627	\$ (1,268,344)	\$ 16,988,731
<b>Less: State Awards Not Subject to Single Audit Major Program Determination</b>														
<b>On-Behalf TPAF Pension System Contributions:</b>														
On-Behalf TPAF Post Retirement Contributions	21-495-034-5094-001	7/1/20-6/30/21						1,686,462						
On-Behalf TPAF Pension Contributions	21-495-034-5094-002	7/1/20-6/30/21						5,280,970						
On-Behalf TPAF Non-Contributory Insurance	21-495-034-5094-004	7/1/20-6/30/21						100,477						
On-Behalf TPAF Long-Term Disability Insurance	21-495-034-5094-004	7/1/20-6/30/21						2,973						
Subtotal - On-Behalf TPAF Pension System Contributions								7,070,882						
Total State Awards Subject to Single Audit Major Program Determination								\$ (5,314,175)						

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE 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 includes the federal and state grant activity of the Caldwell-West Caldwell School District under programs of the federal and state governments for the fiscal year ended June 30, 2021. The information in these schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting 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 not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The General Fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes those payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two 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.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$7,934) for the General Fund, \$77,440 for the Special Revenue Fund (of which (\$7,686) is attributable to local grants) and \$29,390 for the Capital Projects Fund. See Note 1D for a reconciliation of the budgetary basis to the GAAP basis of accounting for the General, Special Revenue and Capital Projects Funds.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

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

Revenue from federal and state awards is reported in the Board's basic financial statements on the GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 32,818	\$ 11,532,811	\$ 11,565,629
Special Revenue Fund	1,174,108	109,956	1,284,064
Capital Projects Funds		29,390	29,390
Debt Service Fund		720,479	720,479
Food Service Fund	305,613	13,877	319,490
Total Awards	<u>\$ 1,512,539</u>	<u>\$ 12,406,513</u>	<u>\$ 13,919,052</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.

NOTE 7. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA GRANTS)

The District has been awarded a grant in the Capital Projects Fund totaling \$587,795 from the New Jersey Schools Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. The Jefferson Elementary School HVAC and boiler replacement project was completed and \$29,390 was expended, submitted for reimbursement and realized as revenue on the GAAP basis in the current fiscal year. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on a budgetary basis in the year awarded and realizes the grant revenue on the GAAP basis as it is expended and submitted for reimbursement.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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 and 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:

	C.F.D.A.#/ State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Part B, Basic	84.027	7/1/20-9/30/21	\$ 661,067	\$ 625,159
I.D.E.A. Preschool	84.173	7/1/20-9/30/21	20,357	19,963

State:

Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	1,529,803	1,529,803
---	---------------------	----------------	-----------	-----------

- The threshold used for distinguishing between both federal and state Type A and Type B programs was \$750,000.
- The District was determined to be a "low-risk" auditee for both federal and state programs.



CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

Summary of Auditors' Results: (Cont'd)

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT  
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.