

**CALDWELL-WEST CALDWELL
SCHOOL DISTRICT**

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

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

**Annual Comprehensive
Financial Report**

of the

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

West Caldwell, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

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

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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 27, 2023

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 annual comprehensive financial report of the Caldwell-West Caldwell School District for the fiscal year ended June 30, 2022 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 annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the 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 2,580 students, based on the annual October 15, 2021 ASSA count, which is an decrease of 43 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 several 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 the orderly development of remaining land in the township and have 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 hired an architect/engineer to evaluate all buildings owned by the Board of Education for repair and maintenance. This review will continue in the 2022-2023 school year, and form the basis for spending and potential borrowing (debt) to upgrade and maintain our facilities.

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, 2022.

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
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January 27, 2023

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,

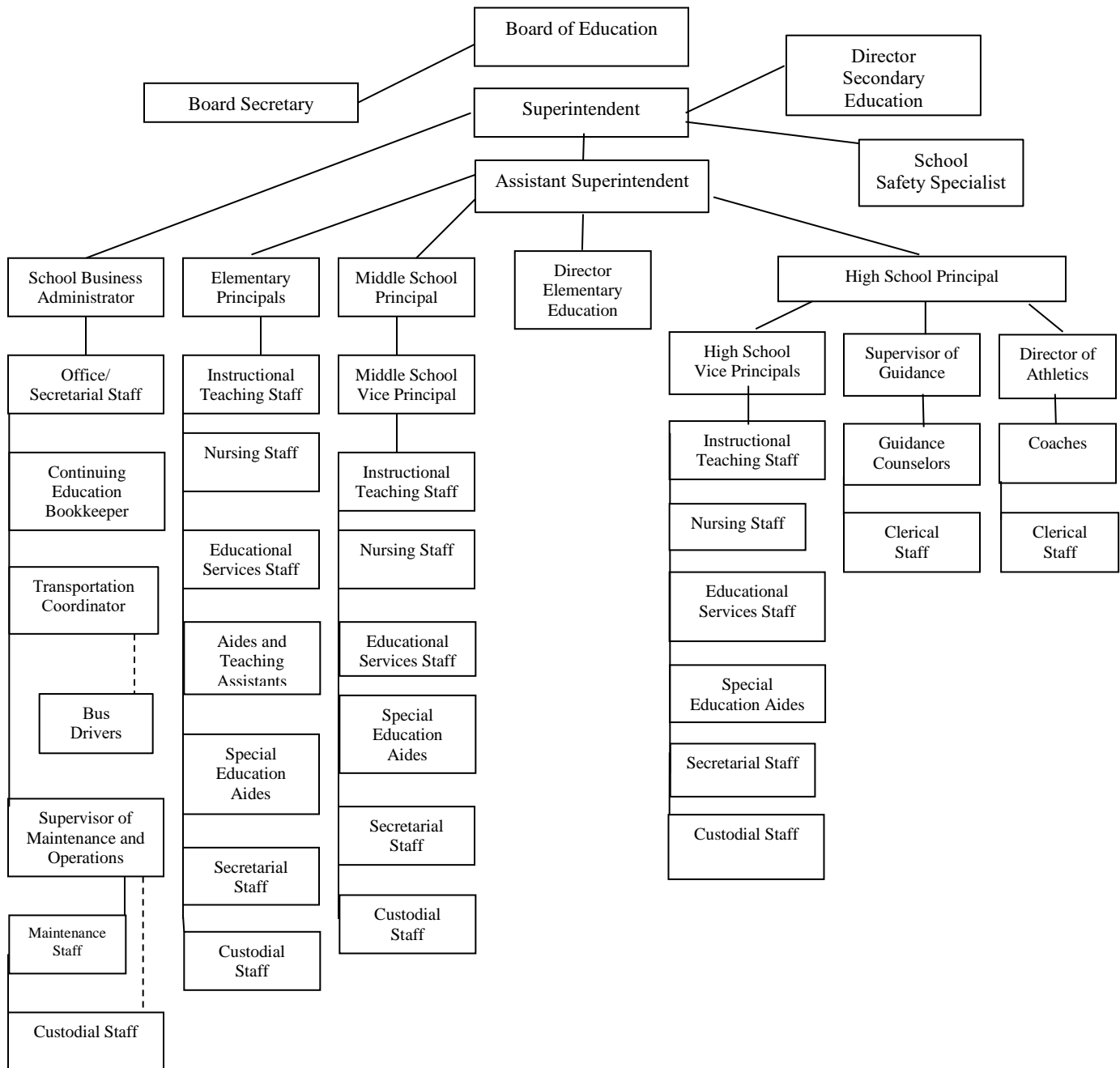
Christopher Conklin

Christopher Conklin Ed. D.
Superintendent of Schools

A handwritten signature in cursive script that reads "Brian P. McCarthy". The signature is written in dark ink and is positioned to the right of the "Respectfully submitted," text.

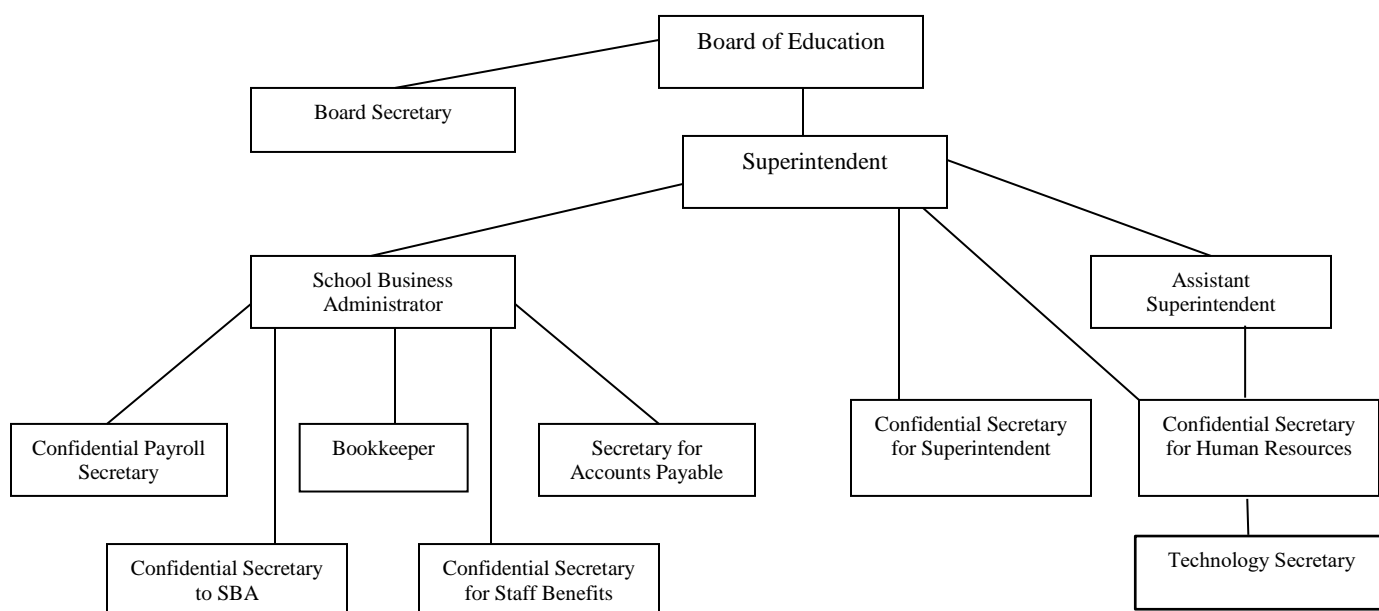
Brian P. McCarthy
Business Administrator / Board Secretary

1110 ORGANIZATIONAL CHART



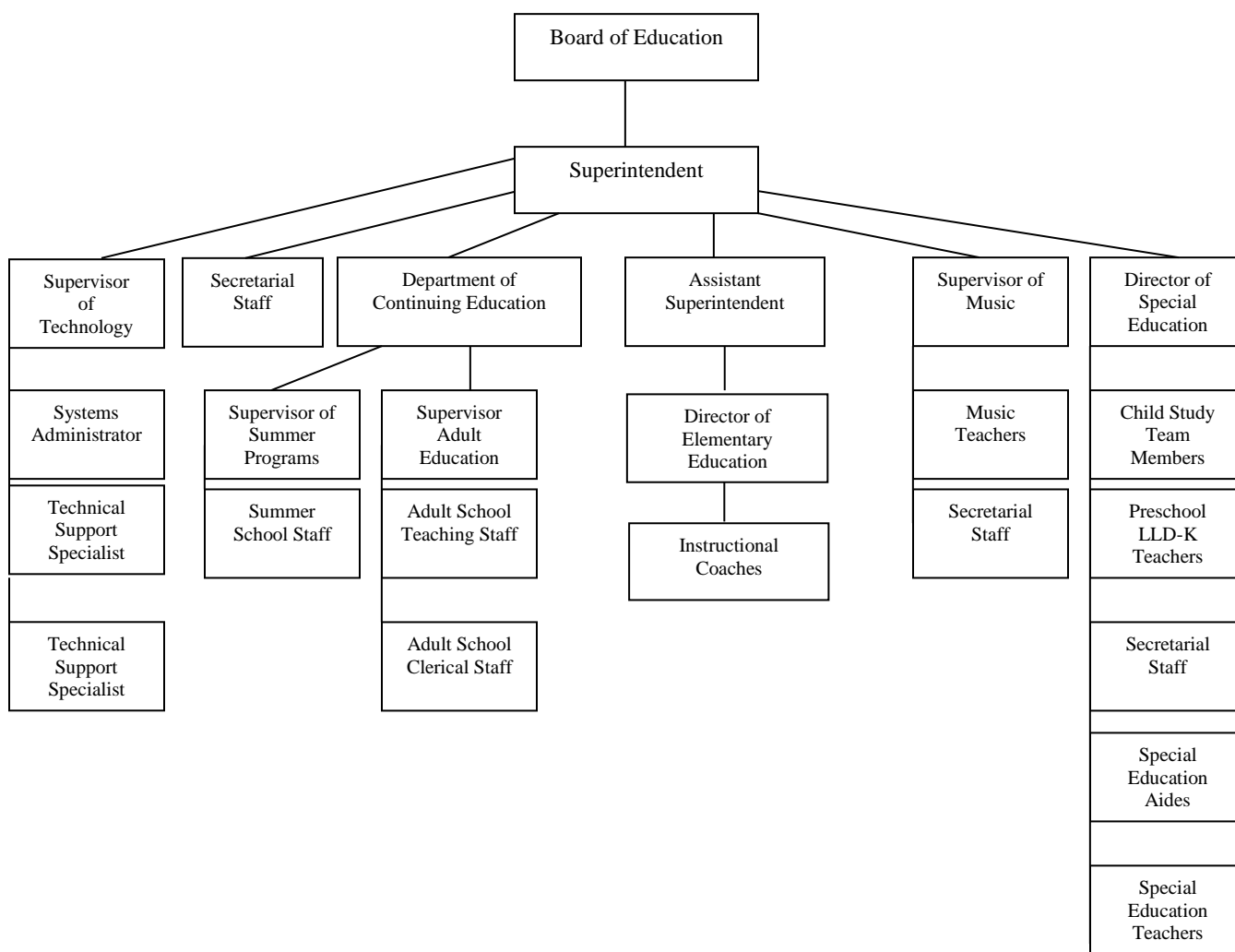
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Organizational Chart

Human Resources and Business Functions



ADMINISTRATION
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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, 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Daniel Cipoletti, President	12/31/2022
Paula Getty	12/31/2022
Chris Elko	12/31/2023
Chris D’Ambola	12/31/2024
Julianne Grosso, Vice President	12/31/2024

Other Officials

- Dr. Christopher Conklin, Superintendent
- Kaitlin Jones, Assistant Superintendent
- Brian McCarthy, Business Administrator/Board Secretary

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

Consultants and Advisors

Architect

FKA Architects
306 Ramapo Valley Road
Oakland, NJ 07436

SPIEZLE

1395 Yardville Hamilton Square
Road, Suite 2A
Hamilton, NJ 08691

Audit Firm

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

Board / Special Education Attorney

Busch Law Group
450 Main Street
Metuchen, NJ 08840

Bond Attorney

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

Bond Financial Advisor

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

Official Depositories

PNC Bank

Valley National Bank

Lakeland Bank

FINANCIAL SECTION

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 Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 District, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information 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*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2023 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 District's internal control over financial reporting and compliance.

January 27, 2023
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

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2022. 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

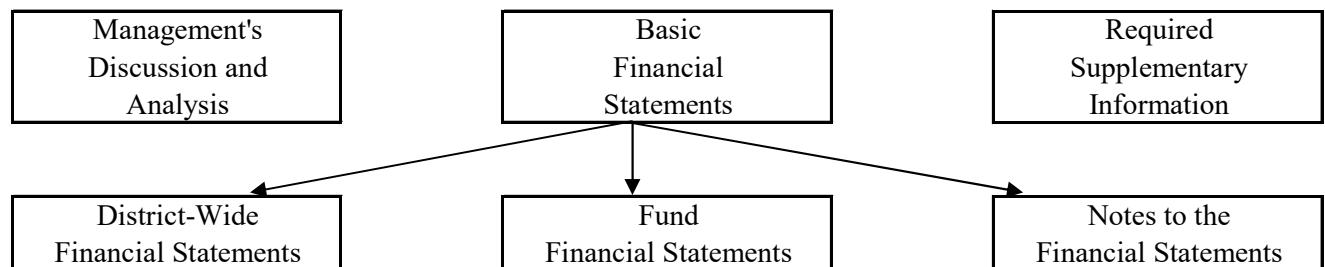
This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- 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, 2022**

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"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease 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, 2022**

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, 2022**

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 \$8,263,445. Net position from governmental activities increased by \$8,045,796 and net position from business-type activities increased by \$217,649. Net investment in capital assets increased by \$1,201,754, restricted net position increased by \$4,421,574, and unrestricted net position increased by \$2,640,117.

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

	Government Activities		Business-Type Activities		Total School District		Percentage
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	Change
Current and							
Other Assets	\$ 18,453,681	\$ 12,774,576	\$ 898,353	\$ 646,337	\$ 19,352,034	\$13,420,913	
Capital Assets, Net	38,693,689	38,973,575	106,487	119,846	38,800,176	39,093,421	
Total Assets	<u>57,147,370</u>	<u>51,748,151</u>	<u>1,004,840</u>	<u>766,183</u>	<u>58,152,210</u>	<u>52,514,334</u>	10.74%
Deferred Outflows							
of Resources	<u>1,281,029</u>	<u>1,682,566</u>			<u>1,281,029</u>	<u>1,682,566</u>	-23.86%
Other Liabilities	1,896,377	1,137,772	161,236	140,228	2,057,613	1,278,000	
Long-Term Liabilities	27,678,733	31,465,201			27,678,733	31,465,201	
Total Liabilities	<u>29,575,110</u>	<u>32,602,973</u>	<u>161,236</u>	<u>140,228</u>	<u>29,736,346</u>	<u>32,743,201</u>	-9.18%
Deferred Inflows							
of Resources	<u>4,297,290</u>	<u>4,479,964</u>			<u>4,297,290</u>	<u>4,479,964</u>	-4.08%
Net Position:							
Net Investment in							
Capital Assets	19,473,510	18,258,397	106,487	119,846	19,579,997	18,378,243	
Restricted	14,036,200	9,614,626			14,036,200	9,614,626	
Unrestricted/ (Deficit)	<u>(8,953,711)</u>	<u>(11,525,243)</u>	<u>737,117</u>	<u>506,109</u>	<u>(8,216,594)</u>	<u>(11,019,134)</u>	
Total Net Position	<u>\$ 24,555,999</u>	<u>\$ 16,347,780</u>	<u>\$ 843,604</u>	<u>\$ 625,955</u>	<u>\$ 25,399,603</u>	<u>\$16,973,735</u>	49.64%

Figure A-4 represents the *Changes in Net Position*. The District's combined net position was \$25,237,180 on June 30, 2022, an increase of \$8,263,445 or 48.68% more than the year before. (See Figure A-3).

Net Investment in Capital Assets increased by \$1,201,754 due to the current year maturity of serial bonds payable of \$2,360,000, \$263,875 pay down on financed purchases payable, as well as current year capital assets additions (net of deletions) of \$1,025,917; offset by current year depreciation expense of \$1,319,162, a new financed purchase agreement of \$1,043,660, the amortization of \$67,232 of the deferred amount on refunding and a net decrease of \$17,984 in Capital Projects.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Financial Analysis of the District as a Whole

Restricted net position increased by \$4,421,574 mainly due to a net increase of \$2,860,662 in capital reserve, a net increase of \$525,111 in maintenance reserve, a net increase of \$519,834 in emergency reserve and a net increase of \$692,719 in excess surplus.

The \$2,802,540 increase in unrestricted net position was primarily due to the changes in net pension liability and related deferred outflows and inflows, as well as an increase in encumbrances.

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

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	Change
Revenue:							
Program Revenue:							
Charges for Services	\$ 607,650	\$ 404,554	\$ 482,722	\$ 117,901	\$ 1,090,372	\$ 522,455	
Operating Grants and Contributions	14,831,261	15,032,598	806,771	319,490	15,638,032	15,352,088	
General Revenue:							
Property Taxes	49,954,001	48,589,849			49,954,001	48,589,849	
Unrestricted State and Federal Aid	982,882	1,009,177			982,882	1,009,177	
Other	430,204	152,048	932	415	431,136	152,463	
Total Revenue	<u>66,805,998</u>	<u>65,188,226</u>	<u>1,290,425</u>	<u>437,806</u>	<u>68,096,423</u>	<u>65,626,032</u>	3.76%
Expenses:							
Instruction	33,208,788	33,668,629			33,208,788	33,668,629	
Pupil/Instruction Services	12,784,189	11,934,068			12,784,189	11,934,068	
Administrative & Business	5,264,637	5,768,239			5,264,637	5,768,239	
Maintenance & Operations	5,517,873	4,904,030			5,517,873	4,904,030	
Transportation	1,309,465	1,045,908			1,309,465	1,045,908	
Other	512,827	1,570,538	1,072,776	529,671	1,585,603	2,100,209	
Total Expenses	<u>58,597,779</u>	<u>58,891,412</u>	<u>1,072,776</u>	<u>529,671</u>	<u>59,670,555</u>	<u>59,421,083</u>	0.42%
Increase/(Decrease) in Net Position	<u>\$ 8,208,219</u>	<u>\$ 6,296,814</u>	<u>\$ 217,649</u>	<u>\$ (91,865)</u>	<u>\$ 8,425,868</u>	<u>\$ 6,204,949</u>	35.79%

Governmental Activities

The financial position of the District improved. However, maintaining existing programs while experiencing flat revenue combined with rising salary and benefits expenses will place greater demands on the District's future resources.

The District continues to pursue and implement cost savings strategies to sustain its financial health.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Governmental Activities (Cont'd)

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 seventh 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.
- 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:

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Figure A-5

Net Cost of Governmental Activities

	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2021/22	2021/22	2020/21	2020/21
Instruction	\$ 33,208,788	\$ 22,724,569	\$ 33,668,629	\$ 22,446,530
Pupil and Instruction Services	12,784,189	9,651,363	11,934,068	9,331,371
Administrative and Business	5,264,637	4,247,134	5,768,239	4,615,909
Maintenance and Operations	5,517,873	5,369,683	4,904,030	4,904,030
Transportation	1,309,465	653,292	1,045,908	585,882
Other	512,827	512,827	1,570,538	1,570,538
	<u>\$ 58,597,779</u>	<u>\$ 43,158,868</u>	<u>\$ 58,891,412</u>	<u>\$ 43,454,260</u>

Business-Type Activities

Net position from the District's business-type activity increased by \$217,649. (Refer to Figure A-4). Factors contributing to these results included:

- The Continuing Education expenses exceeded revenue by \$12,783.
- The Food Service Fund revenue exceeded expenses by \$230,432 due to an increase in subsidy reimbursements as a result of an increase in operating expenses as free meals were offered to children through the SSO program.

Financial Analysis of the District's Funds

The District's financial position increased on a fund basis. The District continues to improve the stability of its financial position through stabilization efforts.

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.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Capital Assets

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

	Government Activities		Business-Type Activities		Total School District		Percent Change 2021/22
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	
Sites	\$ 229,918	\$ 229,918			\$ 229,918	\$ 229,918	
Construction in Progress	2,884,460	2,866,476			2,884,460	2,866,476	
Site Improvements	3,155,857	2,698,695			3,155,857	2,698,695	
Buildings & Building Improvements	29,843,501	30,493,968			29,843,501	30,493,968	
Machinery and Equipment	2,579,953	2,684,518	\$ 106,487	\$ 119,846	2,686,440	2,804,364	
Total Capital Assets, Net	\$ 38,693,689	\$ 38,973,575	\$ 106,487	\$ 119,846	\$ 38,800,176	\$ 39,093,421	-0.75%

The District had \$1,073,057 in capital asset additions for governmental activities and \$8,542 in capital asset additions for business-type activities, \$55,682 of capital assets disposals (net of accumulated depreciation for governmental activities), and depreciation expense was \$1,297,261 for governmental activities and \$21,901 for business-type activities in the current fiscal year.

Long-term Liabilities

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

	Total School District		Percentage Change 2021/22
	2021/22	2020/21	
General Obligation Bonds (Financed with Property Taxes)	\$ 18,850,000	\$ 21,210,000	
Unamortized Bond Issuance Premium	178,869	268,304	
Net Pension Liabilities	7,157,101	9,237,849	
Financed Purchases Payable	779,785		
Compensated Absences Payable	712,978	749,048	
	\$ 27,678,733	\$ 31,465,201	-12.03%

- The District continued to pay down its bonded debt, retiring \$2,360,000 of outstanding bonds.
- Unamortized Bond Issuance Premium decreased \$89,435.
- The PERS and Essex County Net Pension Liabilities decreased by \$2,080,748 (net).
- The District entered a \$1,043,660 financed purchase agreement in the current fiscal year and paid down \$263,875 in financed purchases principal.
- Compensated absences payable decreased by a net amount of \$36,070.

**CALDWELL-WEST CALDWELL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 conducted a demographic study in FY22, as well as hired consultants to perform a detailed review of all schools and buildings, and provide updates to its Long-Range Facilities Plan (LRFP).
- The district is planning for the renovation of classrooms and office space in the Harrison school building beginning the summer of 2023. These upgrades will largely be 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 optimally 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, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,857,331	\$ 829,016	\$ 6,686,347
Receivables from State Government	1,178,044	1,504	1,179,548
Receivables from Federal Government	323,417	65,386	388,803
Receivables from Other Governments	43,875		43,875
Other Receivables	24,881		24,881
Internal Balances	7,941	(7,941)	
Inventories		10,388	10,388
Restricted Cash and Cash Equivalents	11,018,192		11,018,192
Capital Assets, Net:			
Sites (Land) and Construction in Progress	3,114,378		3,114,378
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	35,579,311	106,487	35,685,798
Total Assets	<u>57,147,370</u>	<u>1,004,840</u>	<u>58,152,210</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Amount on Refunding	134,464		134,464
Deferred Outflows Related to Pensions	402,564		402,564
Prepaid District Contribution Subsequent to the Measurement Date - Pensions	96,900		96,900
District Contribution Subsequent to the Measurement Date - Pensions	647,101		647,101
Total Deferred Outflows of Resources	<u>1,281,029</u>		<u>1,281,029</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,539,235		1,539,235
Accrued Interest Payable	153,832		153,832
Payable to Federal Government	220		220
Payable to State Government	1		1
Unearned Revenue	203,089	161,236	364,325
Noncurrent Liabilities:			
Due Within One Year	2,732,824		2,732,824
Due Beyond One Year	24,945,909		24,945,909
Total Liabilities	<u>29,575,110</u>	<u>161,236</u>	<u>29,736,346</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	4,297,290		4,297,290
Total Deferred Inflows of Resources	<u>4,297,290</u>		<u>4,297,290</u>
<u>NET POSITION/(DEFICIT)</u>			
Net Investment in Capital Assets	19,473,510	106,487	19,579,997
Restricted for:			
Capital Projects	7,589,301		7,589,301
Maintenance	2,225,111		2,225,111
Emergency	519,834		519,834
Unemployment Compensation	202,729		202,729
Excess Surplus	3,014,258		3,014,258
Student Activities	323,943		323,943
Scholarships	161,024		161,024
Unrestricted/(Deficit)	(8,953,711)	737,117	(8,216,594)
Total Net Position	<u>\$ 24,555,999</u>	<u>\$ 843,604</u>	<u>\$ 25,399,603</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, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 24,308,049	\$ 13,107	\$ 5,709,921	\$ (18,585,021)		\$ (18,585,021)
Special Education	6,712,121		4,286,412	(2,425,709)		(2,425,709)
Other Special Instruction	189,789		48,797	(140,992)		(140,992)
School Sponsored/Other Instruction	1,998,829		425,982	(1,572,847)		(1,572,847)
Support Services:						
Tuition	2,795,555		588,220	(2,207,335)		(2,207,335)
Student and Instruction Related Services	9,988,634	320,450	2,224,156	(7,444,028)		(7,444,028)
General Administrative Services	1,016,703		136,503	(880,200)		(880,200)
School Administrative Services	3,010,025		692,742	(2,317,283)		(2,317,283)
Central Services	932,991		188,258	(744,733)		(744,733)
Administrative Information Technology	304,918			(304,918)		(304,918)
Plant Operations and Maintenance	5,517,873		148,190	(5,369,683)		(5,369,683)
Pupil Transportation	1,309,465	274,093	382,080	(653,292)		(653,292)
Interest on Long-Term Debt	512,827			(512,827)		(512,827)
Total Governmental Activities	58,597,779	607,650	14,831,261	(43,158,868)		(43,158,868)
Business-Type Activities:						
Continuing Education	244,718	231,935			\$ (12,783)	(12,783)
Food Service	828,058	250,787	806,771		229,500	229,500
Total Business-Type Activities	1,072,776	482,722	806,771		216,717	216,717
Total Primary Government	\$ 59,670,555	\$ 1,090,372	\$ 15,638,032	(43,158,868)	216,717	(42,942,151)

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

General Revenues:
Taxes:
Property Taxes, Levied for General Purposes, Net
Taxes Levied for Debt Service
Federal, State and Local Aid not Restricted
Interest Earnings
Miscellaneous Income
Total General Revenues
Change in Net Position
Net Position - Beginning
Net Position - Ending

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
\$ 47,908,417	\$ 47,908,417		\$ 47,908,417
2,045,584	2,045,584		2,045,584
982,882	982,882		982,882
39,966	\$ 39,966	932	40,898
390,238	390,238		390,238
Total General Revenues	51,367,087	932	51,368,019
Change in Net Position	8,208,219	217,649	8,425,868
Net Position - Beginning	16,347,780	625,955	16,973,735
Net Position - Ending	\$ 24,555,999	\$ 843,604	\$ 25,399,603

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, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 5,509,460		\$ 347,871		\$ 5,857,331
Interfund Receivable	141,170	\$ 3,750			144,920
Receivables From State Government	1,178,044				1,178,044
Receivables From Federal Government		323,417			323,417
Receivables From Other Governments	43,875				43,875
Other Accounts Receivables	6,652	18,229			24,881
Restricted Cash and Cash Equivalents	10,536,975	481,217			11,018,192
Total Assets	\$ 17,416,176	\$ 826,613	\$ 347,871	\$ - 0 -	\$ 18,590,660
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable		\$ 64,250	\$ 72,729		\$ 136,979
Accounts Payable	\$ 818,048	74,086			892,134
Payable to Federal Government		220			220
Payable to State Government		1			1
Unearned Revenue		203,089			203,089
Total Liabilities	818,048	341,646	72,729		1,232,423
Fund Balances:					
Restricted:					
Capital Reserve	7,589,301				7,589,301
Maintenance Reserve	2,225,111				2,225,111
Emergency Reserve	519,834				519,834
Unemployment Compensation	202,729				202,729
Excess Surplus - 2023-2024	1,286,895				1,286,895
Excess Surplus - 2022-2023	1,727,363				1,727,363
Student Activities		323,943			323,943
Scholarships		161,024			161,024
Capital Projects			275,142		275,142
Assigned:					
Other Purposes	699,412				699,412
Unassigned	2,347,483				2,347,483
Total Fund Balances	16,598,128	484,967	275,142		17,358,237
Total Liabilities and Fund Balances	\$ 17,416,176	\$ 826,613	\$ 347,871	\$ - 0 -	\$ 18,590,660

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

Total
Governmental
Funds

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

Total Fund Balances from previous page	\$ 17,358,237
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	38,693,689
Bond Issuance Premiums are Reported as Revenue in the Governmental Funds in the Year the Bonds are Sold.	(178,869)
The Deferred Amount on Refunding is not Reported as an Expenditure in the Governmental Funds in the Year of the Expenditure.	134,464
Interest on Long-Term Debt is not Accrued in Governmental Funds, but Rather is Recognized as an Expenditure When Due.	(153,832)
The Net Pension Liabilities for PERS and Essex County Pension Fund are not Due and Payable in the Current Period and are not Reported in the Governmental Funds.	
Certain Amounts Related to the Net Pension Liabilities are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds	(3,797,826)
Long-Term Liabilities, Including Bonds Payable, Net Pension Liability and Financed Purchases Payable are not Due and Payable in the Current Period and therefore are not Reported as Liabilities in the Funds.	<u>(27,499,864)</u>
Net Position of Governmental Activities	<u><u>\$ 24,555,999</u></u>

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, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 47,908,417			\$ 2,045,584	\$ 49,954,001
Tuition from Individuals	13,107				13,107
Transportation Fees from Individuals	6,652				6,652
Transportation Fees From Other LEAs	267,441				267,441
Rents and Royalties	89,768				89,768
Unrestricted Miscellaneous Revenue	285,376	\$ 17,305	\$ 1,076		303,757
Interest Earned on Capital Reserve Funds	15,762				15,762
Restricted Miscellaneous Revenue	38,222	320,677			358,899
Total - Local Sources	48,624,745	337,982	1,076	2,045,584	51,009,387
State Sources	14,858,923	88,569		734,066	15,681,558
Federal Sources	23,712	1,732,462			1,756,174
Total Revenues	63,507,380	2,159,013	1,076	2,779,650	68,447,119
EXPENDITURES:					
Current:					
Regular Instruction	14,985,307	713,549			15,698,856
Special Education Instruction	3,756,921	124,230			3,881,151
Other Special Instruction	138,888				138,888
School-Sponsored/Other Instruction	1,458,136				1,458,136
Support Services and Undistributed Costs:					
Tuition	2,207,335	588,220			2,795,555
Student and Other Instruction Related Services	6,798,127	786,503			7,584,630
General Administrative Services	713,242				713,242
School Administrative Services	1,926,537				1,926,537
Central Services	568,022				568,022
Administrative Information Technology	544,531				544,531
Plant Operations and Maintenance	4,533,307				4,533,307
Student Transportation	1,300,501				1,300,501
Allocated Benefits	4,972,712				4,972,712
Unallocated Benefits	13,618,468				13,618,468
Debt Service:					
Principal				2,225,000	2,225,000
Interest and Other Charges				559,650	559,650
Capital Outlay	1,886,493	161,485	17,984		2,065,962
Total Expenditures	59,408,527	2,373,987	17,984	2,784,650	64,585,148

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess/(Deficit) of Revenue Over/(Under) Expenditures	\$ 4,098,853	\$ (214,974)	\$ (16,908)	\$ (5,000)	\$ 3,861,971
Other Financing Sources/(Uses):					
Financed Purchases (Non-budgeted)	1,043,660				1,043,660
Transfers	<u>(4,024)</u>		<u>(1,076)</u>	<u>5,100</u>	
Total Other Financing Sources/(Uses)	<u>1,039,636</u>		<u>(1,076)</u>	<u>5,100</u>	<u>1,043,660</u>
Net Change in Fund Balances	5,138,489	(214,974)	(17,984)	100	4,905,631
Fund Balance/(Deficit) - July 1	<u>11,459,639</u>	<u>699,941</u>	<u>293,126</u>	<u>(100)</u>	<u>12,452,606</u>
Fund Balance - June 30	<u>\$ 16,598,128</u>	<u>\$ 484,967</u>	<u>\$ 275,142</u>	<u>\$ - 0 -</u>	<u>\$ 17,358,237</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, 2022

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ 4,905,631
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays related to capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays and deletions of capital assets, net of accumulated depreciation differs from depreciation in the period.		
Depreciation Expense	\$ (1,297,261)	
Deletion of Capital Assets, net of Accumulated Depreciation	(55,682)	
Capital Asset Additions	<u>1,073,057</u>	(279,886)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. When 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 (+).		
		24,620
Financed Purchases entered into by the district are an other financing source in the governmental funds, however, the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		(1,043,660)
Repayment of financed purchases 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.		
		263,875
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.		
		2,360,000
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.		
		89,435
The governmental funds report the effect of the deferred amount on refunding when debt is first issued, whereas this amount is deferred and amortized in the statement of activities.		
		(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	2,080,748	
Changes in Deferred Outflows	(337,398)	
Changes in Deferred Inflows	182,674	
Change in Prepaid District Contribution Subsequent to the Measurement Date - Pensions	(6,658)	
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>36,070</u>
Change in Net Position of Governmental Activities		<u>\$ 8,208,219</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, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>		<u>Total</u>
	<u>Continuing</u> <u>Education</u>	<u>Non-Major</u> <u>Fund</u>	<u>Enterprise</u> <u>Funds</u>
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 449,121	\$ 379,895	\$ 829,016
Intergovernmental Accounts Receivable:			
State		1,504	1,504
Federal		65,386	65,386
Inventories		10,388	10,388
Total Current Assets	<u>449,121</u>	<u>457,173</u>	<u>906,294</u>
Non-Current Assets:			
Capital Assets		545,168	545,168
Less: Accumulated Depreciation		<u>(438,681)</u>	<u>(438,681)</u>
Total Non-Current Assets		<u>106,487</u>	<u>106,487</u>
Total Assets	<u>449,121</u>	<u>563,660</u>	<u>1,012,781</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	120,760	38,789	159,549
Unearned Revenue - Donated Commodities		<u>1,687</u>	<u>1,687</u>
Total Current Liabilities	<u>121,234</u>	<u>47,943</u>	<u>169,177</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		106,487	106,487
Unrestricted	<u>327,887</u>	<u>409,230</u>	<u>737,117</u>
Total Net Position	<u>\$ 327,887</u>	<u>\$ 515,717</u>	<u>\$ 843,604</u>

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, 2022

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major Fund	Total
	Continuing Education		Enterprise Funds
Operating Revenue:			
Daily Sales - Non-Reimbursable Programs		\$ 250,787	\$ 250,787
Charges for Services:			
Program Fees	\$ 231,935		231,935
Total Operating Revenue	231,935	250,787	482,722
Operating Expenses:			
Cost of Sales - Reimbursable Programs		332,659	332,659
Cost of Sales - Non-Reimbursable Programs		73,023	73,023
Salaries, Benefits & Payroll Taxes	210,622	327,139	537,761
Purchased Professional and Technical Services	15,225	32,960	48,185
Supplies and Materials	5,139	25,387	30,526
Miscellaneous Expense	13,732	14,989	28,721
Depreciation Expense		21,901	21,901
Total Operating Expenses	244,718	828,058	1,072,776
Operating (Loss)	(12,783)	(577,271)	(590,054)
Non-Operating Revenue:			
Local Sources:			
Interest Income		932	932
State Sources:			
COVID-19 - Seamless Summer Option		17,687	17,687
Federal Sources:			
Food Distribution Program		25,747	25,747
COVID-19 - Seamless Summer Option		752,902	752,902
COVID-19 Pandemic P-EBT Administrative Costs		1,242	1,242
COVID-19 Emergency Operational Costs Reimbursement Program		9,193	9,193
Total Non-Operating Revenue		807,703	807,703
Change in Net Position	(12,783)	230,432	217,649
Net Position - Beginning of Year	340,670	285,285	625,955
Net Position - End of Year	\$ 327,887	\$ 515,717	\$ 843,604

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, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>		<u>Total</u>
	<u>Continuing Education</u>	<u>Non-Major Fund</u>	<u>Enterprise Funds</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 268,896	\$ 236,607	\$ 505,503
Payments to Food Service Contractors		(765,293)	(765,293)
Payments for Salaries, Payroll Taxes and Benefits	(210,622)	(14,989)	(225,611)
Payments to Suppliers	(34,096)		(34,096)
Net Cash Provided by/(Used for) Operating Activities	24,178	(543,675)	(519,497)
Cash Flows from Investing Activities:			
Interest Income		932	932
Net Cash Provided by Investing Activities		932	932
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets		(8,542)	(8,542)
Net Cash Used for Capital and Relating Financing Activities		(8,542)	(8,542)
Cash Flows from Noncapital Financing Activities:			
State Sources		19,864	19,864
Federal Sources		738,312	738,312
Net Cash Provided by Noncapital Financing Activities		758,176	758,176
Net Increase/(Decrease) in Cash and Cash Equivalents	24,178	206,891	231,069
Cash and Cash Equivalents, July 1	424,943	173,004	597,947
Cash and Cash Equivalents, June 30	<u>\$ 449,121</u>	<u>\$ 379,895</u>	<u>\$ 829,016</u>
Reconciliation of Operating (Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating (Loss)	\$ (12,783)	\$ (577,271)	\$ (590,054)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation		21,901	21,901
Food Distribution Program		25,747	25,747
Changes in Assets and Liabilities:			
Decrease in Inventory		1,901	1,901
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	36,961	(14,180)	22,781
Donated Commodities		(1,773)	(1,773)
Net Cash (Used for) Operating Activities	<u>\$ 24,178</u>	<u>\$ (543,675)</u>	<u>\$ (519,497)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$23,974 and utilized U.S.D.A. Commodities valued at \$25,747.

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, 2022

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, 2022

(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, 2022
(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 or lease 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 or lease asset acquisitions are reported as expenditures in the Governmental Funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(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, 2022 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, 2022
(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:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 63,566,544	\$ 2,337,699
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.		
Prior Year Encumbrances		60,738
Cancellation of Prior Year Encumbrances		(6,823)
Current Year Encumbrances		(232,601)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	179,269	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(238,433)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 63,507,380	\$ 2,159,013

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

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 59,408,527	\$ 2,552,673
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.		
Prior Year Encumbrances		60,738
Cancellation of Prior Year Encumbrances		(6,823)
Current Year Encumbrances		(232,601)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 59,408,527	\$ 2,373,987

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, 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.

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as 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, 2022.

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:

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

K. Capital Assets: (Cont'd)

	Estimated Useful Life
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. Lease Assets:

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. 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.

N. 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, 2022.

O. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

O. Compensated Absences: (Cont'd)

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.

P. Lease Payable:

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Q. 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.

R. Fund Balance Appropriated:

General Fund: Of the \$16,598,128 General Fund fund balance at June 30, 2022, \$699,412 is assigned for year-end encumbrances; \$7,589,301 is restricted in the capital reserve account; \$2,225,111 is restricted in the maintenance reserve account; \$519,834 is restricted in the emergency reserve account; \$202,729 is restricted for unemployment compensation; \$1,286,895 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, 2024; \$1,727,363 is restricted as prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2023; and \$2,347,483 is unassigned, which is \$238,433 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, 2023).

Special Revenue Fund: Of the \$484,967 Special Revenue Fund fund balance at June 30, 2022, \$323,943 is restricted for student activities and \$161,024 is restricted for scholarships.

Capital Projects Fund: The \$275,142 fund balance in the Capital Projects Fund at June 30, 2022 is restricted.

Debt Service Fund: The Debt Service has \$-0- fund balance at June 30, 2022.

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 as indicated above.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

R. Fund Balance Appropriated: (Cont'd)

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.

S. Deficit Net Position:

The District has a deficit in unrestricted net position of \$8,953,711 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. This deficit does not indicate that the District is experiencing financial difficulties and is a permitted practice under generally accepted accounting principles.

T. 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, 2022 for Pensions. The District had deferred outflows of resources at June 30, 2022 for the Deferred Amount on Bond Refunding, and Pensions.

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

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization, 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

U. 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, an emergency reserve, unemployment compensation, student activities, 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, 2022.

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, 2022.

V. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

V. Revenue - Exchange and Nonexchange Transactions: (Cont'd)

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.

W. 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.

X. 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.

Y. 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.

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

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.

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;

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

Investments: (Cont'd)

- (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;

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

Investments: (Cont'd)

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

As of June 30, 2022, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents		Total
	Unrestricted	Restricted	
Checking/Money Market Accounts	\$ 6,686,347	\$ 11,018,192	\$ 17,704,539
	\$ 6,686,347	\$ 11,018,192	\$ 17,704,539

During the period ended June 30, 2022, 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, 2022, was \$17,704,539 and the bank balance was \$16,799,658.

NOTE 4. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution on June 30, 2022 by inclusion of \$519,834 for the accumulation of funds for use as unanticipated general fund expenditures in subsequent fiscal years. The emergency reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

The emergency reserve is restricted to be used to accumulate funds in accordance with N.J.S.A. 18A:7F-4lc(1) to finance unanticipated General Fund expenditures required for a through and efficient education. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the General Fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution between June 1st and June 30th of any unanticipated revenue or unexpended line-item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements pursuant to N.J.S.A. 18A:7G-6(c)l.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 4. EMERGENCY RESERVE ACCOUNT (Cont'd)

Beginning Balance, July 1, 2021	\$ - 0 -
Add: Transfer from Unassigned Fund Balance per Board Resolution - June 30, 2022	519,834
Ending Balance, June 30, 2022	\$ 519,834

NOTE 5. 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, 2021	\$ 4,728,639
Add: Interest Earnings	15,762
Transfer from Unassigned Fund Balance per Board Resolution - June 30, 2022	3,000,000
Less: Budgeted Withdrawal	(150,000)
Transfer to Debt Service Fund as per Board Resolutions	(5,100)
Ending Balance, June 30, 2022	\$ 7,589,301

The balance in the capital reserve account at June 30, 2022 does not exceed the local support costs of uncompleted capital projects in the District's approved LRFP. The budgeted withdrawal was for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 6. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 6. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes.

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities.

If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Beginning Balance, July 1, 2021	\$ 1,700,000
Add: Transfer from Unassigned Fund Balance per Board Resolution - June 30, 2022	825,111
Less: Budgeted Withdrawal	<u>(300,000)</u>
Ending Balance, June 30, 2022	<u><u>\$ 2,225,111</u></u>

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2022 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	\$ 536,626	\$ 8,542		\$ 545,168
Less: Accumulated Depreciation	<u>(416,780)</u>	<u>(21,901)</u>		<u>(438,681)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 119,846</u></u>	<u><u>\$ (13,359)</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 106,487</u></u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 229,918			\$ 229,918
Construction in Progress	2,866,476	\$ 17,984		2,884,460
Total Capital Assets Not Being Depreciated	<u>3,096,394</u>	<u>17,984</u>		<u>3,114,378</u>
Capital Assets Being Depreciated:				
Site Improvements	6,830,362	661,485		7,491,847
Buildings and Building Improvements	49,652,316			49,652,316
Machinery and Equipment	9,424,211	393,588	\$ (97,435)	9,720,364
Total Capital Assets Being Depreciated	<u>65,906,889</u>	<u>1,055,073</u>	<u>(97,435)</u>	<u>66,864,527</u>
Governmental Activities Capital Assets	<u>69,003,283</u>	<u>1,073,057</u>	<u>(97,435)</u>	<u>69,978,905</u>
Less Accumulated Depreciation for:				
Site Improvements	(4,131,667)	(204,323)		(4,335,990)
Buildings and Building Improvements	(19,158,348)	(650,467)		(19,808,815)
Machinery and Equipment	(6,739,693)	(442,471)	41,753	(7,140,411)
	<u>(30,029,708)</u>	<u>(1,297,261)</u>	<u>41,753</u>	<u>(31,285,216)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 38,973,575</u>	<u>\$ (224,204)</u>	<u>\$ (55,682)</u>	<u>\$ 38,693,689</u>

The District expended \$17,984 towards construction projects in progress during the fiscal year. As of June 30, 2022, the District has \$275,142 in active construction projects, of which \$25,640 is encumbered.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 505,932
Special Education Instruction	129,726
School Sponsored/Other Instruction	51,891
Student and Instruction Related Services	298,369
General Administration	25,944
School Administration	64,863
Central Services	12,973
Administrative Information Technology	12,973
Operations and Maintenance of Plant	155,672
Student Transportation	38,918
	<u>\$ 1,297,261</u>

NOTE 8. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2022, the District transferred \$766,656 to equipment capital outlay accounts which did not require County Superintendent approval.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 9. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2022, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2021	Accrued	Retired	Balance 6/30/2022	Due Within One Year
Serial Bonds Payable	\$ 21,210,000		\$ 2,360,000	\$ 18,850,000	\$ 2,385,000
Unamortized Bond					
Issuance Premium	268,304		89,435	178,869	89,435
Financed Purchases Payable		\$ 1,043,660	263,875	779,785	258,389
Compensated Absences					
Payable	749,048	69,680	105,750	712,978	
Net Pension Liability:					
PERS	8,722,841		2,272,653	6,450,188	
Essex County	515,008	191,905		706,913	
	<u>\$ 31,465,201</u>	<u>\$ 1,305,245</u>	<u>\$ 5,091,713</u>	<u>\$ 27,678,733</u>	<u>\$ 2,732,824</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, 2022
(Continued)

NOTE 9. 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, 2022 as follows:

Purpose	Final Maturity Date	Interest Rate	Amount
School Bonds	03/15/33	2.75-3.00%	\$ 12,750,000
Refunding School Bonds	09/01/24	4.00%	3,745,000
Energy Savings Improvement Program Bonds	07/15/33	4.00-5.50%	2,355,000
			<u>\$ 18,850,000</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
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
2027	1,280,000	347,775	1,627,775
Thereafter 5 Years (2028-2032)	7,220,000	1,068,538	8,288,538
Thereafter (2033-2034)	1,910,000	71,862	1,981,862
	<u>\$ 18,850,000</u>	<u>\$ 3,423,450</u>	<u>\$ 22,273,450</u>

B. 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, 2022 is \$-0- and is shown separately from the long-term portion of compensated absences of \$712,978. 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

C. Bonds Authorized But Not Issued:

As of June 30, 2022, the Board had \$2,200,000 bonds authorized but not issued.

D. 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 \$89,434.

E. Financed Purchases Payable:

The District has financed purchase agreements for various technology equipment valued at \$1,043,660, of which \$263,875 has been liquidated as of June 30, 2022. The financed purchase agreements are for terms of four years. The following is a schedule of the future minimum financed purchase payments and the present value of the net minimum financed purchase payments at June 30, 2022.

<u>Fiscal Year Ending</u>	<u>Amount</u>
2023	\$ 263,875
2024	263,874
2025	263,874
Total Minimum Financed Purchases Payments	<u>791,623</u>
Less: Amount Representing Interest	<u>(11,838)</u>
Present value of net minimum financed purchase payments	<u>\$ 779,785</u>

The current portion of financed purchases payable is \$258,389, and the long-term portion is \$521,396.

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long-term portion is \$6,450,188. 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, 2022 is \$-0- and the long-term portion is \$706,913. See Note 10 for further information on the Plan.

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).

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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.

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$637,650 for 2022.

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, 2022
(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

At June 30, 2022, the District's liability was \$6,450,188 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 July 1, 2020 which was rolled forward to 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 0.0544%, which was an increase of 0.001% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized an actual pension benefit in the amount of \$1,123,735. At June 30, 2022, 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	2017	5.48		\$ 272,587
	2018	5.63		511,042
	2019	5.21		450,828
	2020	5.16		1,061,852
	2021	5.13	\$ 33,593	
				<u>33,593</u>
Changes in Proportion	2017	5.48		80,853
	2018	5.63		31,674
	2019	5.21		86,125
	2020	5.16		57,004
	2021	5.13	168,196	
				<u>168,196</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		50,383
	2019	5.00		(16,258)
	2020	5.00		(366,397)
	2021	5.00		2,031,421
				<u>1,699,149</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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)

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	2017	5.48	\$ 8,107	
	2018	5.63		\$ 19,461
	2019	5.21	34,462	
	2020	5.16	59,159	
	2021	5.13		26,715
			<u>101,728</u>	<u>46,176</u>
District Contribution Subsequent to the Measurement Date	2021	1.00	<u>647,101</u>	
			<u>\$ 950,618</u>	<u>\$ 4,297,290</u>

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 the pension benefit as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2022	\$ (1,521,963)
2023	(1,086,678)
2024	(740,929)
2025	(556,959)
2026	216
	<u>\$ (3,906,313)</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. 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-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) 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, 2021 are summarized in the following table:

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Management Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 100% 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 in determining 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 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:

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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 (Cont'd)

	June 30, 2021		
	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	\$ 8,788,709	\$ 6,450,188	\$ 4,472,220

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008 and prior to May 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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 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 2022, the State's pension contribution was more 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2021, the State of New Jersey contributed \$7,732,121 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$2,055,123.

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, 2022, the State's proportionate share of the net pension liability associated with the District was \$87,338,898. 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 July 1, 2020 which was rolled forward to June 30, 2021.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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 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 0.1817%, which was an increase of 0.0037% from its proportion measured as of June 30, 2020.

District's Proportionate Share of the Net Pension Liability	\$ - 0 -
State's Proportionate Share of the Net Pension Liability Associated to the District	87,338,898
Total	\$ 87,338,898

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$2,055,123 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2022 financial statements.

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2014	8.50	\$ 153,774,925	
	2015	8.30	926,219,611	
	2016	8.30	3,000,278,784	
	2017	8.30		\$ 5,282,196,290
	2018	8.29		3,527,661,165
	2019	8.04		2,510,940,613
	2020	7.99	1,209,286,241	
	2021	7.93		12,903,483,645
			5,289,559,561	24,224,281,713
Difference Between Expected and Actual Experience	2014	8.50		1,464,605
	2015	8.30	57,204,429	
	2016	8.30		37,311,034
	2017	8.30	93,981,436	
	2018	8.29	618,845,893	
	2019	8.04		97,553,990
	2020	7.99		6,444,940
2021	7.93	171,234,070		
			941,265,828	142,774,569

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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)

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual	2018	5.00		\$ 96,030,373
Investment Earnings on Pension Plan Investments	2019	5.00		(72,441,385)
	2020	5.00		(724,186,621)
	2021	5.00		3,554,633,811
				2,854,036,178
				\$ 6,230,825,389
				\$ 27,221,092,460

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
2022	\$ (2,914,282,899)
2023	(3,500,098,875)
2024	(4,665,036,366)
2025	(4,192,375,542)
2026	(2,350,648,872)
Thereafter	(3,367,824,517)
	\$ (20,990,267,071)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. 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%

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 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, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 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%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Management Strategies	3.00%	3.35%

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 100% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining 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 State's proportionate share of the net pension liability associated with the District as of June 30, 2021 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, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 103,336,526	\$ 87,338,898	\$ 73,901,913

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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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 \$49,373 for the fiscal year ended June 30, 2022. Employee contributions to DCRP amounted to \$63,232 for the year ended June 30, 2022.

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 plan that provides pension and life insurance benefits to employees of the Boards of Education within Essex County who were 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, 2022, pension plan member ship consisted of the following:

	2022
Retirees and beneficiaries currently receiving benefits	408
Active Fund members	6
Inactive Fund members	8
Total	422
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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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 the cost of living increase associated with its retirees. Plan provisions and contribution requirements are established by New Jersey state statute and may be amended by the State of New Jersey. District contributions to the Plan amounted to \$103,558 for fiscal year 2022.

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

At June 30, 2022, the District reported a liability of \$706,913 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. 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, 2022, the District's proportion was 2.24%, which was a decrease of 0.15% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2022, the District recognized a pension benefit of \$43,487. At June 30, 2022, the District reported deferred outflows and inflows of resources related to pension from the sources noted in the below table.

	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments			
2018	5.00	\$ (2,612)	
2019	5.00	(14,758)	
2020	5.00	(26,191)	
2021	5.00	(128,297)	
2022	5.00	270,905	
		<u>99,047</u>	
District Contribution Subsequent to the Measurement Date	1.00	<u>96,900</u>	
		<u>\$ 195,947</u>	<u>\$ - 0 -</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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

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

Fiscal Year Ending June 30,	Total
2023	\$ 3,385
2024	5,997
2025	13,377
2026	22,107
2027	54,181
	\$ 99,047

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2022. 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.

Disabled retirees:
110% of PubNS-2010 mortality tables with MP-2018 mortality projection.

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 expected rate of return on 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.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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, 2022 are summarized in the following table:

Asset Class	Real Rate of Return *
U.S. Fixed Income	0.70%
U.S. Domestic Equity	6.70%

* - Net of 2.0% inflation assumption

Discount Rate

The discount rate used to measure the total pension liability was 5.00% for the year ended June 30, 2022. 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, 2022 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, 2022		
	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	\$ 943,346	\$ 706,913

Pension Plan Fiduciary Net Position

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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 Annual Comprehensive Financial Report.

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, 2022 is as follows:

	<u>School Alliance Insurance Fund</u>
Total Assets	\$ 52,198,217
Net Position	\$ 20,990,635
Total Revenue	\$ 48,576,664
Total Expenses	\$ 48,577,544
Change in Net Position	\$ (880)
Members Dividends	\$ - 0 -

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, 2022
(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>
2021-2022	\$ - 0 -	\$ 497	\$ 130,712	\$ 92,987	\$ 202,729
2020-2021	- 0 -	328	135,093	99,732	164,507
2019-2020	- 0 -	1,246	94,032	98,939	128,818

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	\$ 141,170	
Special Revenue Fund	3,750	\$ 64,250
Capital Projects Fund		72,729
Enterprise Fund - Food Service		7,467
Enterprise Fund - Continuing Education		474
	<u>\$ 144,920</u>	<u>\$ 144,920</u>

The interfund payable in the Special Revenue Fund due to the General Fund is for cash flow purposes awaiting the collection of 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 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, 2022
(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 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, 2022
(Continued)

NOTE 16. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2022, there were encumbrances as detailed below in the governmental funds. All the governmental funds are considered to be major funds:

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 699,412	\$ 232,601	\$ 25,640	\$ 957,653

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$232,601 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue. The \$25,640 year-end encumbrances in the Capital Projects Fund is included in the \$275,142 restricted fund balance on a budgetary and GAAP basis at June 30, 2022.

NOTE 17. ACCOUNTS PAYABLE

The following accounts payable existed as of June 30, 2022:

	Governmental Funds		District Contribution Subsequent to the Measure- ment Date	Total Governmental Activities
	General Fund	Special Revenue Fund		
Due to State of New Jersey	\$ 6,731	\$ 33,991	\$ 647,101	\$ 687,823
Vendors	766,596	40,095		806,691
Payroll Deductions and Withholdings	44,721			44,721
	\$ 818,048	\$ 74,086	\$ 647,101	\$ 1,539,235

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employee Plan

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 Employees 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 paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pensions*. 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 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 annual financial statements 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, 2022
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Employees Covered by Benefit Terms

At June 30, 2020, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	150,427
Active Plan Members	213,901
Total	364,328

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021.

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
		PFRS	
Salary Increases:			
Through 2026		1.55 - 4.45% based on service years	2.00 - 6.00% based on service years
Thereafter		2.75-5.65% based on service years	3.00 - 7.00% based on service years
			3.25 - 15.25% based on service years
			Not Applicable

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018 and July 1, 2013 – June 30, 2018 for TPAF, PERS, and PFRS respectively.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employee Plan (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-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees were based on the Pub-2010 “Safety” (PFRS), “General” (PERS) and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal years 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%. 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, 2020	\$ 114,772,584
Changes for Year:	
Service Cost	5,686,498
Interest on the Total OPEB Liability	2,598,424
Changes of Benefit Terms	(106,615)
Changes of Assumptions	98,822
Differences between Expected and Actual Experience	(20,902,838)
Gross Benefit Payments by the State	(2,046,830)
Contributions from Members	66,429
Net Changes	<u>(14,606,110)</u>
Balance at June 30, 2021	<u>\$ 100,166,474</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employee Plan (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, 2021, 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, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
Total OPEB Liability Attributable to the District	\$ 119,983,711	\$ 100,166,474	\$ 84,561,589

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, 2021, 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, 2021		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 81,085,086	\$ 100,166,474	\$ 125,791,368

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

For the fiscal year ended June 30, 2022 the District recognized OPEB expense of \$5,867,901 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, 2022
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (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, 2021 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		\$ 5,629,387
	2018	9.51		5,117,542
	2019	9.29	\$ 703,185	
	2020	9.24	16,200,660	
	2021	9.24	88,127	
			<u>16,991,972</u>	<u>10,746,929</u>
Differences Between Expected and Actual Experience	2018	9.51		4,837,670
	2019	9.29		8,276,526
	2020	9.24	15,099,651	
	2021	9.24		16,947,544
			<u>15,099,651</u>	<u>30,061,740</u>
Changes in Proportion	N/A	N/A	1,130,981	2,289,945
			<u>\$ 33,222,604</u>	<u>\$ 43,098,614</u>

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>
2021	\$ (1,973,533)
2022	(1,973,534)
2023	(1,973,534)
2024	(1,973,534)
2025	(1,403,155)
Thereafter	<u>580,244</u>
	<u>\$ (8,717,046)</u>

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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the Net Pension Liability	0.0593593597%	0.0615338408%	0.0595188544%	0.0552849481%	0.0547999042%	0.0539035746%	0.0534901260%	0.05444480545%
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	\$ 6,450,188
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	\$ 3,892,642
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%	165.70%
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%	70.33%

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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 489,350	\$ 529,026	\$ 534,791	\$ 520,864	\$ 548,108	\$ 527,649	\$ 585,155	\$ 637,650
Contributions in relation to the Contractually Required Contribution	(489,350)	(529,026)	(534,791)	(520,864)	(548,108)	(527,649)	(585,155)	(637,650)
Contribution Deficiency/(Excess)	<u>\$ - 0 -</u>	<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	\$ 3,832,559
Contributions as a percentage of Covered Employee Payroll	12.50%	13.72%	14.09%	13.84%	14.21%	13.06%	15.03%	16.64%

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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
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%	0.1816714619%
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	\$ 87,338,898
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	\$ 21,418,898
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%	407.77%
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%	35.52%

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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 5,198,922	\$ 6,659,250	\$ 9,917,535	\$ 8,301,173	\$ 6,595,347	\$ 6,570,237	\$ 7,285,598	\$ 2,055,123
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>	<u>(7,732,121)</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>	<u>\$ (5,676,998)</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	\$ 21,513,664
Contributions as a percentage of Covered Employee Payroll	3.31%	5.08%	10.44%	13.59%	17.82%	17.85%	24.66%	35.94%

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 FIVE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2017	2018	2019	2020	2021
Service Cost	\$ 4,102,223	\$ 3,412,214	\$ 3,059,772	\$ 3,148,269	\$ 5,686,498
Interest Cost	2,863,647	3,324,872	3,136,760	2,545,155	2,598,424
Changes of Benefit Terms	(11,853,755)	(9,069,540)	1,051,621	20,965,007	(106,615)
Changes in Assumptions		(7,065,782)	(13,650,304)	19,520,807	(20,902,838)
Differences between Expected and Actual Experience	77,163	73,040	64,179	60,562	66,429
Member Contributions	(2,095,535)	(2,113,339)	(2,165,088)	(1,998,096)	(2,046,830)
Gross Benefit Payments					
Net Change in Total OPEB Liability	(6,906,257)	(11,438,535)	(8,503,060)	44,241,704	(14,606,110)
Total OPEB Liability - Beginning	97,378,732	90,472,475	79,033,940	70,530,880	114,772,584
Total OPEB Liability - Ending	\$ 90,472,475	\$ 79,033,940	\$ 70,530,880	\$ 114,772,584	\$ 100,166,474
District's Covered Employee Payroll *	\$ 22,081,687	\$ 22,269,692	\$ 23,038,059	\$ 23,887,104	\$ 25,898,491
Total OPEB Liability as a Percentage of Covered Employee Payroll	410%	355%	306%	480%	387%

* - Covered payroll for the fiscal years ending June 30, 2017, 2018, 2019, and 2020 are based on the payroll on the June 30, 2016, 2017, 2018, and 2019 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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's Proportion of the Net Pension Liability	2.8052491%	2.7948026%	2.7409447%	2.4263189%	2.3722327%	2.5098843%	2.3903214%	2.2463204%
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	\$ 706,913
District's Covered Employee Payroll	\$ - 0 -	\$ - 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%	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%	74.53%
* 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	\$ 31,469,833

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 EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 164,185	\$ 145,337	\$ 113,008	\$ 95,190	\$ 83,301	\$ 90,550	\$ 111,298	\$ 103,558
Contributions in Relation to the Contractually Required Contribution	(164,185)	(145,337)	(113,008)	(95,190)	(83,301)	(90,550)	(111,298)	(103,558)
Contribution Deficiency (Excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's Covered Employee Payroll	\$ -0-	\$ -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%	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, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020 while in the July 1, 2020 actuarial valuation the mortality improvement was based on Scale MP-2021.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.40% as of June 30, 2020 to 7.00% as of June 30, 2021.

In the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020 while in the July 1, 2020 actuarial valuation the mortality improvement was based on Scale MP-2021.

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

Benefit Changes

There were none known.

Changes of Assumptions

With respect to the long term expected rate of return there were the following changes:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Rate of Return</u>	
		<u>2022</u>	<u>2021</u>
U.S. Fixed Income	50.00%	0.70%	0.50%
U.S. Domestic Equity	40.00%	6.70%	6.65%

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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, 2021 was 2.16%. The discount rate for June 30, 2020 was 2.21%, a change of -.05%.

The salary increases for TPAF/ABP for thereafter were 1.55 – 4.45% in the valuation as of June 30, 2020 while the salary increases for TPAF/ABP for thereafter are 2.75 – 5.65% in the valuation as of June 30, 2021.

The salary increases for PFRS for thereafter were applied to all future years in the valuation as of June 30, 2020 while the salary increases for PFRS for thereafter are not applicable in the valuation as of June 30, 2021.

The mortality rates in the valuation as of June 30, 2021 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-2021. 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-2021. 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-2021 for current disabled retirees. Future disabled retirees were based on the Pub-2010 “Safety” (PFRS), “General” (PERS) and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The mortality rates in the valuation as of June 30, 2020 were based on the following:

Pre-retirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. 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-2020. 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-2020.

The health care trend rates in the valuation as of June 30, 2021 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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, 2020 were based on the following:

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 47,908,417		\$ 47,908,417	\$ 47,908,417	\$ 13,107
Tuition From Individuals	35,000		35,000	6,652	(35,000)
Tuition From Other LEAs Within the State	5,000		5,000	267,441	1,652
Transportation Fees From Individuals	15,000		15,000	89,768	252,441
Transportation Fees From Other LEAs	80,000		80,000	285,376	9,768
Rents and Royalties	40,000		40,000	100	245,376
Unrestricted Miscellaneous Revenues	100		100	15,762	(100)
Interest Earned on Maintenance Reserve	200		200	38,222	15,562
Interest Earned on Capital Reserve Funds				48,083,717	38,222
Other Restricted Miscellaneous Revenues				48,624,745	541,028
Total Revenues from Local Sources	<u>48,083,717</u>		<u>48,083,717</u>		
Revenues from State Sources:					
Categorical Transportation Aid	342,698		342,698	342,698	
Extraordinary Aid	401,419		401,419	1,061,123	659,704
Categorical Special Education Aid	1,859,529		1,859,529	1,859,529	
Categorical Security Aid	226,292		226,292	226,292	
Excess Nonpublic Transportation Costs				41,180	41,180
Securing Our Children's Future Bond Act				148,190	148,190
TPAF Post Retirement Contributions (Non-Budgeted)				1,832,024	1,832,024
TPAF Pension Contributions (Non-Budgeted)				7,732,121	7,732,121
TPAF Non-Contributory Insurance (Non-Budgeted)				109,089	109,089
TPAF Long-Term Disability Insurance (Non-Budgeted)				3,054	3,054
Reimbursed TPAF Social Security Contributions				1,562,787	1,562,787
Total Revenues from State Sources	<u>2,829,938</u>		<u>2,829,938</u>	<u>14,918,087</u>	<u>12,088,149</u>

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Federal Sources:					
Medicaid Reimbursement	\$ 25,826		\$ 25,826	\$ 23,712	\$ (2,114)
Total Revenues from Federal Sources	<u>25,826</u>		<u>25,826</u>	<u>23,712</u>	<u>(2,114)</u>
TOTAL REVENUE	<u>50,939,481</u>		<u>50,939,481</u>	<u>63,566,544</u>	<u>12,627,063</u>
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	649,264	\$ 80,538	729,802	701,780	28,022
Grades 1-5 - Salaries of Teachers	5,336,134	(156,882)	5,179,252	4,960,790	218,462
Grades 6-8 - Salaries of Teachers	3,137,503	25,655	3,163,158	2,946,256	216,902
Grades 9-12 - Salaries of Teachers	5,169,968	7,970	5,177,938	4,980,017	197,921
Regular Programs - Home Instruction:					
Salaries of Teachers	15,000	(7,800)	7,200	4,543	2,657
Purchased Professional - Educational Services	22,000		22,000	15,256	6,744
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	133,204	55,967	189,171	179,421	9,750
Purchased Professional - Educational Services	44,141	(791)	43,350	42,128	1,222
Purchased Technical Services	116,167	33,976	150,143	33,975	1
Other Purchased Services (400-500 series)	802,822	(4,600)	798,222	109,660	1,907
General Supplies	143,753	32,654	176,407	791,607	43,869
Textbooks	16,821	75,650	92,471	216,628	2,775
Other Objects	16,821	(10,759)	6,062	3,246	2,816
Total Regular Programs - Instruction	<u>15,586,777</u>	<u>131,578</u>	<u>15,718,355</u>	<u>14,985,307</u>	<u>733,048</u>

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 124,412		\$ 124,412	\$ 101,061	\$ 23,351
General Supplies	2,496		2,496	1,011	1,485
Total Learning and/or Language Disabilities	<u>126,908</u>		<u>126,908</u>	<u>102,072</u>	<u>24,836</u>
Behavioral Disabilities:					
Salaries of Teachers	185,502	\$ (89,317)	96,185		96,185
General Supplies	1,500		1,500		1,500
Total Behavioral Disabilities	<u>187,002</u>	<u>(89,317)</u>	<u>97,685</u>		<u>97,685</u>
Resource Room/Resource Center:					
Salaries of Teachers	3,238,526	89,317	3,327,843	3,199,352	128,491
Purchased Professional - Educational Services	1,000		1,000		1,000
General Supplies	10,100		10,100	4,541	5,559
Textbooks	10,619		10,619	359	10,260
Other Objects	1,773		1,773		1,773
Total Resource Room/Resource Center	<u>3,262,018</u>	<u>89,317</u>	<u>3,351,335</u>	<u>3,204,252</u>	<u>147,083</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	75,181	4,174	79,355	79,355	
Other Salaries for Instruction	202,052	(8,923)	193,129	146,873	46,256
General Supplies	3,000	4,749	7,749	7,099	650
Total Preschool Disabilities - Part-Time	<u>280,233</u>		<u>280,233</u>	<u>233,327</u>	<u>46,906</u>

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education - Instruction:					
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 248,043		\$ 248,043	\$ 191,985	\$ 56,058
General Supplies	1,500		1,500	1,327	173
Total Preschool Disabilities - Full-Time	<u>249,543</u>		<u>249,543</u>	<u>193,312</u>	<u>56,231</u>
Home Instruction:					
Salaries of Teachers		\$ 5,459	5,459	5,456	3
Purchased Professional - Educational Services	115,590	(73,684)	41,906	18,502	23,404
Total Home Instruction	<u>115,590</u>	<u>(68,225)</u>	<u>47,365</u>	<u>23,958</u>	<u>23,407</u>
Total Special Education - Instruction	<u>4,221,294</u>	<u>(68,225)</u>	<u>4,153,069</u>	<u>3,756,921</u>	<u>396,148</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	293,946		293,946	43,057	250,889
Purchased Professional - Educational Services	6,000		6,000	4,375	1,625
Total Basic Skills/Remedial - Instruction	<u>299,946</u>		<u>299,946</u>	<u>47,432</u>	<u>252,514</u>
Bilingual Education - Instruction:					
Salaries of Teachers	155,712		155,712	91,456	64,256
General Supplies	1,928		1,928	1,928	-
Total Bilingual Education - Instruction	<u>157,640</u>		<u>157,640</u>	<u>91,456</u>	<u>66,184</u>
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	380,147	36,581	416,728	407,154	9,574
Purchased Services (300-500 series)	16,778	(11,626)	5,152	1,831	3,321
Supplies and Materials	20,074	(7,232)	12,842	7,972	4,870
Other Objects	17,650	22,369	40,019	35,015	5,004

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.: (Cont'd)					
Transfers to Cover Deficit (Agency Funds)	\$ 7,500	\$ (6,506)	\$ 994		\$ 994
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	442,149	33,586	475,735	451,972	23,763
School-Sponsored Athletics - Instruction:					
Salaries	724,823	2,866	727,689	715,842	11,847
Purchased Services (300-500 series)	165,958	(70,588)	95,370	87,700	7,670
Supplies and Materials	121,142	(34,177)	86,965	68,879	18,086
Other Objects	30,010	4,675	34,685	27,493	7,192
Transfers to Cover Deficit (Agency Funds)	13,015	41,985	55,000	55,000	
Total School-Sponsored Athletics - Instruction	1,054,948	(55,239)	999,709	954,914	44,795
Community Services Programs/Operations:					
Salaries	162,955		162,955	51,250	111,705
Total Community Services Programs/Operations	162,955		162,955	51,250	111,705
TOTAL INSTRUCTION	21,925,709	41,700	21,967,409	20,339,252	1,628,157
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	251,850	271,383	523,233	338,992	184,241
Tuition to County Voc. School Dist.-Regular	30,471		30,471	12,541	17,930
Tuition to County Voc. School Dist.-Special	73,840	(3,379)	70,461	45,520	24,941
Tuition to CSSD & Reg. Day Schools		69,390	69,390	53,210	16,180
Tuition to Priv. Sch. for the Handicap. W/I State	2,411,829	(222,611)	2,189,218	1,757,072	432,146
Tuition to Priv Sch Handicap & Oth LEAs-Spl./O/S St	41,467		41,467		41,467
Total Undistributed Expenditures - Instruction	2,809,457	114,783	2,924,240	2,207,335	716,905

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attendance & Social Work:					
Salaries	\$ 28,500	\$ 548	\$ 29,048	\$ 28,043	\$ 1,005
Total Undistributed Expenditures - Attendance and Social Work	<u>28,500</u>	<u>548</u>	<u>29,048</u>	<u>28,043</u>	<u>1,005</u>
Undistributed Expenditures - Health Services:					
Salaries	640,243	79,918	720,161	680,766	39,395
Purchased Professional and Technical Services	14,791	(9,241)	5,550	3,715	1,835
Supplies and Materials	21,531	(11,219)	10,312	10,225	87
Other Objects	2,140		2,140		2,140
Total Undistributed Expenditures - Health Services	<u>678,705</u>	<u>59,458</u>	<u>738,163</u>	<u>694,706</u>	<u>43,457</u>
Undistributed Expenditures - Speech, OT, PT, Related Serv:					
Salaries	487,989	(14,496)	473,493	386,555	86,938
Purchased Professional - Educational Services	98,430	93,038	191,468	148,503	42,965
Supplies and Materials	7,800	1,500	9,300	3,343	5,957
Other Objects	11,500		11,500	11,500	
Total Undistributed Expenditures - Speech, OT, PT, Related Serv	<u>605,719</u>	<u>80,042</u>	<u>685,761</u>	<u>549,901</u>	<u>135,860</u>
Undistributed Expenditures - Other Supp. Serv. Students - Extra. Serv.:					
Salaries	1,186,061	(152,597)	1,033,464	771,965	261,499
Purchased Professional - Educational Services	1,159,481	(72,159)	1,087,322	933,837	153,485
Total Undistributed Expenditures - Other Supp. Serv. Students - Extra. Serv.	<u>2,345,542</u>	<u>(224,756)</u>	<u>2,120,786</u>	<u>1,705,802</u>	<u>414,984</u>
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	600,111		600,111	557,311	42,800
Purchased Professional - Educational Services	410,000	(4,331)	405,669	366,250	39,419
Other Purchased Professional and Technical Services	9,541	4,331	13,872	13,872	

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Guidance: (Cont'd)					
Other Purchased Services (400-500 series)	\$ 800		\$ 800		\$ 800
Supplies and Materials	9,209		9,209	4,176	5,033
Other Objects	1,846		1,846	864	982
Total Undistributed Expenditures - Guidance	<u>1,031,507</u>		<u>1,031,507</u>	<u>942,473</u>	<u>89,034</u>
Undistributed Expenditures - Child Study Team:					
Salaries of Other Professional Staff	1,258,995	\$ (31,923)	1,227,072	1,130,948	96,124
Salaries of Secretarial and Clerical Assistants	121,533	1,374	122,907	117,991	4,916
Other Purchased Professional and Technical Services	78,635	(10,536)	68,099	42,119	25,980
Other Purchased Services (400-500 series)	11,200		11,200	3,194	8,006
Supplies and Materials	33,500	(2,533)	30,967	30,951	16
Other Objects	22,545	(242)	22,303	13,137	9,166
Total Undistributed Expenditures - Child Study Team	<u>1,526,408</u>	<u>(43,860)</u>	<u>1,482,548</u>	<u>1,338,340</u>	<u>144,208</u>
Undistributed Expenditures - Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	437,193	23,809	461,002	448,562	12,440
Salaries of Other Professional Staff	14,148	(13,273)	875	875	
Other Salaries	366		366		366
Purchased Professional - Educational Services	11,869		11,869	10,217	1,652
Other Purchased Professional and Technical Services	4,923		4,923	1,300	3,623
Other Purchased Services (400-500 series)	12,351		12,351	3,264	9,087
Supplies and Materials	88,700	(9,760)	78,940	77,824	1,116
Other Objects	20,018	(16,309)	3,709		3,709
Total Undistributed Expenditures - Improv. of Inst. Serv.	<u>589,568</u>	<u>(15,533)</u>	<u>574,035</u>	<u>542,042</u>	<u>31,993</u>

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Edu. Media Serv./Sch. Library:					
Salaries	\$ 499,499	\$ 30,402	\$ 529,901	\$ 529,901	
Salaries of Technology Coordinators	336,139	4,706	340,845	340,844	1
Supplies and Materials	70,930	19,612	90,542	81,883	8,659
Total Undistributed Expenditures - Edu. Media Serv./Sch. Library	906,568	54,720	961,288	952,628	8,660
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional - Educational Service	13,360	28,506	41,866	41,410	456
Other Purchased Professional and Technical Services	3,357	(3,357)			
Other Purchased Services (400-500 series)	1,664	(1,570)	94		94
Other Objects	24,684	(21,681)	3,003	2,782	221
Total Undistributed Expenditures - Instructional Staff Training Services	43,065	1,898	44,963	44,192	771
Undistributed Expenditures - Support Serv. - Gen. Admin.:					
Salaries	382,299	(5,977)	376,322	376,279	43
Legal Services	50,000	68,188	118,188	57,117	61,071
Audit Fees	45,000	5,450	50,450	50,450	
Architectural/Engineering Services	136,460	(5,260)	131,200	50,983	80,217
Other Purchased Professional Services	16,410	14,714	31,124	26,822	4,302
Communications / Telephone	62,361	(21,147)	41,214	37,900	3,314
BOE Other Purchased Services	2,239	7,055	9,294	3,022	6,272
Other Purch. Serv. (400-500 series other than 530 & 585)	42,779	13,942	56,721	56,677	44
General Supplies	6,346	9,299	15,645	15,571	74
Miscellaneous Expenditures	55,957	(33,506)	22,451	17,236	5,215
BOE Membership Dues and Fees	18,198	2,987	21,185	21,185	
Total Undistributed Expenditures - Support Serv. - Gen. Admin.	818,049	55,745	873,794	713,242	160,552

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 1,213,590	\$ 34,679	\$ 1,248,269	\$ 1,248,265	\$ 4
Salaries of Secretarial and Clerical Assistants	720,775	(46,849)	673,926	661,321	12,605
Other Purchased Services (400-500 series)	20,500	(19,027)	1,473	4,416	1,473
Supplies and Materials	27,050	(13,300)	13,750	9,334	9,334
Other Objects	11,687	4,945	16,632	10,128	6,504
Total Undistributed Expenditures - Support Serv. - School Adm.	<u>1,993,602</u>	<u>(37,144)</u>	<u>1,956,458</u>	<u>1,926,537</u>	<u>29,921</u>
Undistributed Expenditures - Central Services:					
Salaries	532,982	(11,073)	521,909	518,945	2,964
Purchased Professional Services	42,288	(1,416)	40,872	33,912	6,960
Miscellaneous Purchased Services (400-500 series other than 594)	12,929	6,294	19,223	11,342	7,881
Supplies and Materials	10,054	(4,680)	5,374	3,823	1,551
Other Objects	20,435	(198)	20,237	20,237	0
Total Undistributed Expenditures - Central Services	<u>618,688</u>	<u>(11,073)</u>	<u>607,615</u>	<u>568,022</u>	<u>39,593</u>
Undistributed Expenditures - Admin. Info. Technology:					
Salaries		11,210	11,210	11,210	0
Purchased Professional Services	157,650	24,456	182,106	182,055	51
Other Purchased Services (400-500 series)	339,136	(43,193)	295,943	274,862	21,081
Supplies and Materials	208,665		208,665	76,404	132,261
Total Undistributed Expenditures - Admin. Info. Technology	<u>705,451</u>	<u>(7,527)</u>	<u>697,924</u>	<u>544,531</u>	<u>153,393</u>
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	704,130	46,758	750,888	691,517	59,371
Cleaning, Repair, and Maintenance Services	599,344	(50,895)	548,449	485,230	63,219

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Required Maintenance for School Facilities: (Cont'd)					
General Supplies	\$ 182,180	\$ 3,179	\$ 185,359	\$ 153,483	\$ 31,876
Other Objects	10,175	18,036	28,211	11,601	16,610
Total Undistributed Expenditures - Required Maintenance for School Facilities	1,495,829	17,078	1,512,907	1,341,831	171,076
Undistributed Expenditures - Custodial Services:					
Salaries	1,383,371	(47,801)	1,335,570	1,283,100	52,470
Salaries of Non-Instructional Aides	104,296	31,818	136,114	132,892	3,222
Cleaning, Repair, and Maintenance Services	184,567	(34,750)	149,817	124,055	25,762
Other Purchased Property Services	120,097	(33,364)	86,733	38,899	47,834
Insurance	358,909	12,863	371,772	362,769	9,003
General Supplies	173,500	(12,104)	161,396	105,290	56,106
Energy (Natural Gas)	311,938	55,301	367,239	234,573	132,666
Energy (Electricity)	431,422	51,950	483,372	258,358	225,014
Energy (Gasoline)	25,000		25,000	9,002	15,998
Other Objects	2,175		2,175		2,175
Interest - Energy Savings Impr Prog Bonds	120,250		120,250	120,250	
Principal - Energy Savings Impr Prog Bonds	135,000		135,000	135,000	
Total Undistributed Expenditures - Custodial Services	3,350,525	23,913	3,374,438	2,804,188	570,250
Care and Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	408,380	(70,927)	337,453	296,528	40,925
General Supplies	81,297	29,935	111,232	90,760	20,472
Total Care And Upkeep Of Grounds	489,677	(40,992)	448,685	387,288	61,397
Total Undistributed Expenditures - Oper. and Maint. of Plant Serv.	5,336,031	(1)	5,336,030	4,533,307	802,723

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 103,581	\$ 62,717	\$ 166,298	\$ 166,296	\$ 2
Sal. for Pupil Trans. (Bet. Home and Sch) - Reg.	72,692	7,253	79,945	79,941	4
Sal. for Pupil Trans. (Bet. Home and Sch) - Spl. Ed.	555,694	(8,937)	546,757	538,512	8,245
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	65,703	(21,454)	44,249	44,248	1
Management Fee - ESC&CTSA Transportation Program	16,803	(14,343)	2,460	1,904	556
Other Purchased Professional and Technical Services	13,776	63,461	77,237	76,543	694
Cleaning, Repair, and Maintenance Services	30,000	93,833	123,833	93,555	30,278
Contract. Serv. - Aid in Lieu of Payments - Nonpublic Studts	112,000	30,000	142,000	139,194	2,806
Contract. Serv.(Oth. than Bet. Home & Sch.) - Vend.	151,696	5,000	156,696	1,650	3,350
Contract. Serv.(Spl. Ed. Students) - ESCs & CTSA		(78,820)	72,876	70,535	2,341
Misc. Purchased Serv. - Transportation		18,855	18,855	13,119	5,736
General Supplies	6,000	(3,213)	2,787	224	2,563
Transportation Supplies	65,000	(59,868)	5,132	4,376	756
Fuel Costs Funded by Advertising Revenue		70,747	70,747	70,404	343
Total Undistributed Expenditures - Student Trans. Serv.	<u>1,192,945</u>	<u>165,231</u>	<u>1,358,176</u>	<u>1,300,501</u>	<u>57,675</u>
Allocated Benefits:					
Regular Programs - Instruction:					
Health Benefits	2,509,065		2,509,065	2,509,065	
Tuition Reimbursement	3,090	(3,090)			
Total Regular Programs - Instruction	<u>2,512,155</u>	<u>(3,090)</u>	<u>2,509,065</u>	<u>2,509,065</u>	
Special Programs - Instruction:					
Health Benefits	1,233,843		1,233,843	1,233,843	
Total Special Programs - Instruction	<u>1,233,843</u>		<u>1,233,843</u>	<u>1,233,843</u>	

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Allocated Benefits:					
Support Services - General Administration:					
Health Benefits	\$ 109,941		\$ 109,941	\$ 109,941	
Total Support Services - General Administration	<u>109,941</u>		<u>109,941</u>	<u>109,941</u>	
Support Services - School Administration:					
Health Benefits	232,902		232,902	232,902	
Total Support Services - School Administration	<u>232,902</u>		<u>232,902</u>	<u>232,902</u>	
Support Services - Central Services:					
Health Benefits	140,061		140,061	140,061	
Total Support Services - Central Services	<u>140,061</u>		<u>140,061</u>	<u>140,061</u>	
Custodial Services:					
Health Benefits	746,900		746,900	746,900	
Total Custodial Services	<u>746,900</u>		<u>746,900</u>	<u>746,900</u>	
Total Allocated Benefits	<u>4,975,802</u>	<u>\$ (3,090)</u>	<u>4,972,712</u>	<u>4,972,712</u>	
Unallocated Benefits:					
Social Security Contributions	664,852	(42)	664,810	630,474	\$ 34,336
Other Retirement Contributions - PERS	649,018	96,900	745,918	734,550	11,368
Other Retirement Contributions - ERIP	3,508		3,508		3,508
Other Retirement Contributions Deferred PERS Payment	40,000	(32,513)	7,487		7,487
Other Retirement Contributions - Regular	181,422	(116,931)	64,491	49,373	15,118
Workers Compensation	278,502		278,502	244,889	33,613
Health Benefits	1,555,875	(436,263)	1,119,612	498,201	621,411

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Unallocated Benefits (Cont'd)					
Tuition Reimbursement	\$ 105,000	\$ 6,313	\$ 111,313	\$ 103,822	\$ 7,491
Other Employee Benefits	71,293	61,000	132,293	118,084	14,209
Total Unallocated Benefits	<u>3,549,470</u>	<u>(421,536)</u>	<u>3,127,934</u>	<u>2,379,393</u>	<u>748,541</u>
On-Behalf Contributions (Non-Budgeted)					
TPAF Post Retirement Contributions (Non-Budgeted)				1,832,024	(1,832,024)
TPAF Pension Contributions (Non-Budgeted)				7,732,121	(7,732,121)
TPAF Non-Contributory Insurance (Non-Budgeted)				109,089	(109,089)
TPAF Long-Term Disability Insurance (Non-Budgeted)				3,054	(3,054)
Reimbursed TPAF Social Security Contributions				1,562,787	(1,562,787)
Total On-Behalf Contributions (Non-Budgeted)				<u>11,239,075</u>	<u>(11,239,075)</u>
Total Personal Services - Employee Benefits	<u>8,525,272</u>	<u>(424,626)</u>	<u>8,100,646</u>	<u>18,591,180</u>	<u>(10,490,534)</u>
Total Undistributed Expenditures	<u>29,755,077</u>	<u>(232,095)</u>	<u>29,522,982</u>	<u>37,182,782</u>	<u>(7,659,800)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>51,680,786</u>	<u>(190,395)</u>	<u>51,490,391</u>	<u>57,522,034</u>	<u>(6,031,643)</u>
CAPITAL OUTLAY:					
Equipment:					
Regular - Instruction:			14,564	14,564	
Grades 9-12					
Special Education - Instruction:					
Resource Room/Resource Center		12,329	12,329	12,329	
Home Instruction		10,165	10,165	10,165	
Undistributed:					
Undistributed Expenditures - Instruction		342,355	342,355	154,750	187,605

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed: (Cont'd)					
Undist. Expend. - Required Maint for School Fac.	\$ 70,809	\$ 401,807	\$ 472,616	\$ 145,548	\$ 327,068
Total Equipment	<u>85,373</u>	<u>766,656</u>	<u>852,029</u>	<u>337,356</u>	<u>514,673</u>
Facilities Acquisition and Construction Serv.:					
Construction Services	500,000		500,000	500,000	
Assessment for Debt Service on SDA Funding	<u>5,477</u>		<u>5,477</u>	<u>5,477</u>	
Total Facilities Acquisition and Const. Serv.	<u>505,477</u>		<u>505,477</u>	<u>505,477</u>	
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Regular Programs - Instruction (Equipment)				1,043,660	(1,043,660)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				<u>1,043,660</u>	<u>(1,043,660)</u>
TOTAL CAPITAL OUTLAY	590,850	766,656	1,357,506	1,886,493	(528,987)
TOTAL EXPENDITURES	<u>52,271,636</u>	<u>576,261</u>	<u>52,847,897</u>	<u>59,408,527</u>	<u>(6,560,630)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(1,332,155)</u>	<u>(576,261)</u>	<u>(1,908,416)</u>	<u>4,158,017</u>	<u>6,066,433</u>
Other Financing Sources/(Uses):					
Transfer In - Capital Projects Fund Interest				1,076	1,076
Capital Reserve - Transfer to Debt Service Fund		(5,100)	(5,100)	(5,100)	
Financed Purchases (Non-budgeted)				1,043,660	1,043,660
Total Other Financing Sources/(Uses)		<u>(5,100)</u>	<u>(5,100)</u>	<u>1,039,636</u>	<u>(1,044,736)</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>(1,332,155)</u>	<u>(581,361)</u>	<u>(1,913,516)</u>	<u>5,197,653</u>	<u>7,111,169</u>

CALDWELL WEST-CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Fund Balance, July 1	\$ 11,638,908		\$ 11,638,908	\$ 11,638,908	
Fund Balance, June 30	\$ 10,306,753	\$ (581,361)	\$ 9,725,392	\$ 16,836,561	\$ 7,111,169
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2023-2024				\$ 1,286,895	
Excess Surplus - Restricted For 2022-2023				1,727,363	
Capital Reserve				7,589,301	
Maintenance Reserve				2,225,111	
Emergency Reserve				519,834	
Unemployment Compensation				202,729	
Assigned Fund Balance:					
Year End Encumbrances				699,412	
Unassigned Fund Balance				2,585,916	
				16,836,561	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(238,433)	
Fund Balance per Governmental Funds (GAAP)				\$ 16,598,128	

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 434,865	\$ 434,865	\$ 393,877	\$ (40,988)
State Sources	\$ 127,057	55,416	182,473	182,472	(1)
Federal Sources	1,490,124	2,142,786	3,632,910	1,761,350	(1,871,560)
Total Revenues	1,617,181	2,633,067	4,250,248	2,337,699	(1,912,549)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	150,500		150,500	100,500	50,000
Purchased Professional and Technical Services	52,298		52,298	51,077	1,221
Purchased Professional - Educational Services	(165,307)				
Other Purchased Services	123,930		123,930	123,930	
Tuition	(13,192)		588,220	588,220	
General Supplies	601,412		1,030,439	604,522	425,917
Textbooks	668,542	361,897	1,030,439	604,522	425,917
Other Objects	12,982	162	13,144	13,144	
		2,000	2,000		2,000
Total Instruction	1,448,243	512,288	1,960,531	1,481,393	479,138
Support Services:					
Salaries of Supervisors of Instruction		156,745	156,745		156,745
Personal Services - Employee Benefits		119,585	119,585	45,225	74,360
Purchased Professional and Technical Services		238,814	238,814	147,613	91,201
Purchased Professional-Educational Services	130,419	4,519	134,938	114,858	20,080
Other Purchased Services	17,692	33,365	51,057		51,057
Supplies and Materials	20,827	74,718	95,545	66,448	29,097
Student Activities		340,653	340,653	340,653	
Scholarships Awarded		194,998	194,998	194,998	
Total Support Services	168,938	1,163,397	1,332,335	909,795	422,540

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Equipment:					
Non-Instructional Equipment	\$ 60,871		\$ 60,871		\$ 60,871
Total Equipment		60,871	60,871		60,871
Facilities Acquisition and Construction Services:					
Buildings (HVAC)		1,111,485	1,111,485	161,485	950,000
Total Facilities Acquisition and Construction Services		1,111,485	1,111,485	161,485	950,000
Total Expenditures	\$ 1,617,181	\$ 2,848,041	\$ 4,465,222	\$ 2,552,673	\$ 1,912,549
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ - 0 -	\$ (214,974)	\$ (214,974)	\$ (214,974)	\$ - 0 -

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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	\$ 63,566,544	\$ 2,337,699
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Prior Year Encumbrances		60,738
Cancellation of Prior Year Encumbrances		(6,823)
Current Year Encumbrances		(232,601)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	179,269	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(238,433)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 63,507,380</u>	<u>\$ 2,159,013</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 59,408,527	\$ 2,552,673
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:		
Prior Year Encumbrances		60,738
Cancellation of Prior Year Encumbrances		(6,823)
Current Year Encumbrances		(232,601)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 59,408,527</u>	<u>\$ 2,373,987</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISION SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

The General Fund budgetary revenue differs from 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, 2022

	Elementary and Secondary Education Act				
	Title IA	Title IIA	Title III	Title III Immigrant	Title IV
REVENUES:					
Local Sources					
State Sources					
Federal Sources	\$ 290,453	\$ 24,694	\$ 13,767	\$ 2,667	\$ 24,312
Total Revenues	<u>290,453</u>	<u>24,694</u>	<u>13,767</u>	<u>2,667</u>	<u>24,312</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	100,500				
Purchased Professional and Technical Services	50,000				1,077
Other Purchased Services					
Tuition					
General Supplies	23,988		6,767		12,390
Textbooks					
Total Instruction	<u>174,488</u>		<u>6,767</u>		<u>13,467</u>
Support Services:					
Personal Services - Employee Benefits	45,225				
Purchased Professional and Technical Services	70,740				
Purchased Professional - Educational Services		24,694	7,000	2,667	10,845
Supplies and Materials					
Student Activities					
Scholarships Awarded					
Total Support Services	<u>115,965</u>	<u>24,694</u>	<u>7,000</u>	<u>2,667</u>	<u>10,845</u>
Facilities Acquisition and Construction Services:					
Buildings (HVAC)					
Total Facilities Acquisition and Construction Services					
Total Expenditures	<u>\$ 290,453</u>	<u>\$ 24,694</u>	<u>\$ 13,767</u>	<u>\$ 2,667</u>	<u>\$ 24,312</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, 2022

	CARES	ESSER II	CRRSA	Mental Health	Private Donations
	Emergency Relief	Learning Acceleration	Health	Donations	
REVENUES:					
Local Sources					\$ 73,200
State Sources					
Federal Sources	\$ 19,979	\$ 565,581	\$ 40,369	\$ 45,000	
Total Revenues	19,979	565,581	40,369	45,000	73,200
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services					
Other Purchased Services					
Tuition					
General Supplies	19,979	380,006	40,369		73,200
Textbooks					
Total Instruction	19,979	380,006	40,369		73,200
Support Services:					
Personal Services - Employee Benefits					
Purchased Professional and Technical Services		24,090		45,000	
Purchased Professional - Educational Services					
Supplies and Materials					
Student Activities					
Scholarships Awarded					
Total Support Services		24,090		45,000	
Facilities Acquisition and Construction Services:					
Buildings (HVAC)		161,485			
Total Facilities Acquisition and Construction Services		161,485			
Total Expenditures	\$ 19,979	\$ 565,581	\$ 40,369	\$ 45,000	\$ 73,200

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	I.D.E.A.				SDA Emergent and Capital Maintenance Needs
	Basic		Preschool		
	FY22 - ARP	FY22	FY22 - ARP	FY22	
REVENUES:					
Local Sources					
State Sources					
Federal Sources	\$ 123,930	\$ 580,515	\$ 10,783	\$ 19,300	\$ 63,448
Total Revenues	<u>123,930</u>	<u>580,515</u>	<u>10,783</u>	<u>19,300</u>	<u>63,448</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services					
Other Purchased Services	123,930	569,220		19,000	
Tuition				300	
General Supplies					
Textbooks					
Total Instruction	<u>123,930</u>	<u>569,220</u>		<u>19,300</u>	
Support Services:					
Personal Services - Employee Benefits					
Purchased Professional and Technical Services			7,783		
Purchased Professional - Educational Services		11,295			
Supplies and Materials			3,000		63,448
Student Activities					
Scholarships Awarded					
Total Support Services		<u>11,295</u>	<u>10,783</u>		<u>63,448</u>
Facilities Acquisition and Construction Services:					
Buildings (HVAC)					
Total Facilities Acquisition and Construction Services					
Total Expenditures	<u>\$ 123,930</u>	<u>\$ 580,515</u>	<u>\$ 10,783</u>	<u>\$ 19,300</u>	<u>\$ 63,448</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, 2022

	Nonpublic			
	Nursing	Textbooks	Technology Initiative	Security Aid
REVENUES:				
Local Sources				
State Sources	\$ 24,528	\$ 13,144	\$ 9,198	\$ 38,325
Federal Sources				
Total Revenues	<u>24,528</u>	<u>13,144</u>	<u>9,198</u>	<u>38,325</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				
Purchased Professional and Technical Services				
Other Purchased Services				
Tuition				
General Supplies		13,144	9,198	38,325
Textbooks				
Total Instruction		<u>13,144</u>	<u>9,198</u>	<u>38,325</u>
Support Services:				
Personal Services - Employee Benefits				
Purchased Professional and Technical Services				
Purchased Professional - Educational Services	24,528			
Supplies and Materials				
Student Activities				
Scholarships Awarded				
Total Support Services	<u>24,528</u>			
Facilities Acquisition and Construction Services:				
Buildings (HVAC)				
Total Facilities Acquisition and Construction Services				
Total Expenditures	<u>\$ 24,528</u>	<u>\$ 13,144</u>	<u>\$ 9,198</u>	<u>\$ 38,325</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, 2022

	Nonpublic Handicapped Services				Totals
	Supplementary Instruction	Examination and Classification	Student Activities	Scholarship	
REVENUES:					
Local Sources			\$ 320,450	\$ 227	\$ 393,877
State Sources	\$ 14,868	\$ 18,961			\$ 182,472
Federal Sources					\$ 1,761,350
Total Revenues	14,868	18,961	320,450	227	2,337,699
EXPENDITURES:					
Instruction:					
Salaries of Teachers					100,500
Purchased Professional and Technical Services					51,077
Other Purchased Services					123,930
Tuition					588,220
General Supplies					604,522
Textbooks					13,144
Total Instruction					1,481,393
Support Services:					
Personal Services - Employee Benefits					45,225
Purchased Professional and Technical Services					147,613
Purchased Professional - Educational Services	14,868	18,961			114,858
Supplies and Materials					66,448
Student Activities			340,653		340,653
Scholarships Awarded				194,998	194,998
Total Support Services	14,868	18,961	340,653	194,998	909,795
Facilities Acquisition and Construction Services:					
Buildings (HVAC)					161,485
Total Facilities Acquisition and Construction Services					161,485
Total Expenditures	\$ 14,868	\$ 18,961	\$ 340,653	\$ 194,998	\$ 2,552,673

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, 2022

Revenue:	
Interest on Investments	\$ 1,076
Total Revenue	<u>1,076</u>
Expenditures and Other Financing Uses:	
Construction Services	17,984
Transfer to General Fund:	
Interest on Investments	<u>1,076</u>
Total Expenditures and Other Financing Uses	<u>19,060</u>
Deficit of Revenue Under Expenditures and Other Financing Uses	(17,984)
Fund Balance - Beginning of Year	<u>293,126</u>
Fund Balance - End of Year	<u><u>\$ 275,142</u></u>
<u>Recapitulation:</u>	
Restricted Fund Balance	\$ 249,502
Restricted - Year End Encumbrances	<u>25,640</u>
Total Fund Balance - Budgetary/GAAP Basis	<u><u>\$ 275,142</u></u>

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, 2022

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 2,800,000		\$ 2,800,000	\$ 2,800,000
Reoffering Premium	359,602		359,602	359,602
Total Revenue and Other Financing Sources	3,159,602		3,159,602	3,159,602
Expenditures:				
Purchased Professional and Technical Services	14,500		14,500	525,631
Construction Services	2,773,772	\$ 17,984	2,791,756	2,233,971
Other Objects	78,204		78,204	400,000
Total Expenditures	2,866,476	17,984	2,884,460	3,159,602
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 293,126	\$ (17,984)	\$ 275,142	\$ - 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
Percentage Completion	91%
Original Target Completion Date	06/01/18
Revised Target Completion Date	06/30/23

PROPRIETARY FUNDS

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	<u>Continuing</u>	<u>Food</u>	
	<u>Education</u>	<u>Service</u>	<u>Total</u>
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 449,121	\$ 379,895	\$ 829,016
Intergovernmental Accounts Receivable:			
State		1,504	1,504
Federal		65,386	65,386
Inventories		10,388	10,388
Total Current Assets	<u>449,121</u>	<u>457,173</u>	<u>906,294</u>
Non-Current Assets:			
Capital Assets		545,168	545,168
Less: Accumulated Depreciation		<u>(438,681)</u>	<u>(438,681)</u>
Total Non-Current Assets		<u>106,487</u>	<u>106,487</u>
Total Assets	<u>449,121</u>	<u>563,660</u>	<u>1,012,781</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	120,760	38,789	159,549
Unearned Revenue - Donated Commodities		<u>1,687</u>	<u>1,687</u>
Total Current Liabilities	<u>121,234</u>	<u>47,943</u>	<u>169,177</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		106,487	106,487
Unrestricted	<u>327,887</u>	<u>409,230</u>	<u>737,117</u>
Total Net Position	<u>\$ 327,887</u>	<u>\$ 515,717</u>	<u>\$ 843,604</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, 2022

	<u>Major Fund</u> <u>Continuing</u> <u>Education</u>	<u>Non-Major Fund</u> <u>Food</u> <u>Service</u>	<u>Total</u>
Operating Revenue:			
Daily Sales:			
Non-Reimbursable Programs		\$ 250,787	250,787
Charges for Services:			
Program Fees	\$ 231,935		231,935
Total Operating Revenue	231,935	250,787	482,722
Operating Expenses:			
Cost of Sales - Reimbursable Programs		332,659	332,659
Cost of Sales - Non-Reimbursable Programs		73,023	73,023
Salaries, Benefits & Payroll Taxes	210,622	327,139	537,761
Purchased Technical Services	15,225	32,960	48,185
Supplies and Materials	5,139	25,387	30,526
Miscellaneous Expense	13,732	14,989	28,721
Depreciation Expense		21,901	21,901
Total Operating Expenses	244,718	828,058	1,072,776
Operating (Loss)	(12,783)	(577,271)	(590,054)
Non-Operating Revenue:			
Local Sources:			
Interest Earnings		932	932
State Sources:			
COVID-19 - Seamless Summer Option		17,687	17,687
Federal Sources:			
Food Distribution Program		25,747	25,747
COVID-19 - Seamless Summer Option		752,902	752,902
COVID-19 Pandemic P-EBT Administrative Costs		1,242	1,242
COVID-19 Emergency Operational Costs Reimbursement Program		9,193	9,193
Total Non-Operating Income		807,703	807,703
Change in Net Position	(12,783)	230,432	217,649
Net Position - Beginning of Year	340,670	285,285	625,955
Net Position - End of Year	\$ 327,887	\$ 515,717	\$ 843,604

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Fund Continuing Education	Non-Major Fund Food Service	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 268,896	\$ 236,607	\$ 505,503
Payments to Food Service Contractors		(765,293)	(765,293)
Payments for Salaries, Payroll Taxes and Benefits	(210,622)	(14,989)	(225,611)
Payments to Suppliers	(34,096)		(34,096)
Net Cash Provided by/(Used for) Operating Activities	24,178	(543,675)	(519,497)
Cash Flows from Investment Activities:			
Interest Income		932	932
Net Cash Provided by Investment Activities		932	932
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets		(8,542)	(8,542)
Net Cash Used for Capital and Related Financing Activities		(8,542)	(8,542)
Cash Flows from Noncapital Financing Activities:			
State Sources		19,864	19,864
Federal Sources		738,312	738,312
Net Cash Provided by Noncapital Financing Activities		758,176	758,176
Net Increase/(Decrease) in Cash and Cash Equivalents	24,178	206,891	231,069
Cash and Cash Equivalents, July 1	424,943	173,004	597,947
Cash and Cash Equivalents, June 30	\$ 449,121	\$ 379,895	\$ 829,016
Reconciliation of Operating (Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating (Loss)	\$ (12,783)	\$ (577,271)	\$ (590,054)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation		21,901	21,901
Food Distribution Program		25,747	25,747
Changes in Assets and Liabilities:			
Decrease in Inventory		1,901	1,901
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	36,961	(14,180)	22,781
Donated Commodities		(1,773)	(1,773)
Net Cash (Used for) Operating Activities	\$ 24,178	\$ (543,675)	\$ (519,497)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$23,974 and utilized U.S.D.A. Commodities valued at \$25,747.

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, 2021	Retired or Matured	Balance June 30, 2022
			Date	Amount	June 30, 2022				
School Bonds	03/19/15	\$ 18,205,000	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%	\$ 13,700,000	\$ 12,750,000	
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%	5,020,000	1,275,000	
								3,745,000	

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, 2021	Retired or Matured	Balance June 30, 2022
			Date	Amount				
Energy Savings Improvement Program	05/16/18	\$ 2,800,000	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%	\$ 2,490,000	\$ 135,000	\$ 2,355,000	
					\$ 21,210,000	\$ 2,360,000	\$ 18,850,000	

Principal paid by General Fund \$ 135,000
Principal paid by Debt Service Fund 2,225,000
\$ 2,360,000

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance June 30, 2022</u>
Technology Equipment - Chromebooks	1.879%	\$ 253,160	\$ 253,160	\$ 64,919	\$ 188,241
Technology Equipment - Laptops	0.469%	790,500	<u>790,500</u>	<u>198,956</u>	<u>591,544</u>
			<u>\$ 1,043,660</u>	<u>\$ 263,875</u>	<u>\$ 779,785</u>

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<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	\$ 2,045,584		\$ 2,045,584	\$ 2,045,584	
State Sources:					
Debt Service Aid Type II	734,066		734,066	734,066	
Total Revenues	<u>2,779,650</u>		<u>2,779,650</u>	<u>2,779,650</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	559,650		559,650	559,650	
Redemption of Principal	2,220,000	\$ 5,000	2,225,000	2,225,000	
Total Regular Debt Service	<u>2,779,650</u>	<u>5,000</u>	<u>2,784,650</u>	<u>2,784,650</u>	
Total Expenditures	<u>2,779,650</u>	<u>5,000</u>	<u>2,784,650</u>	<u>2,784,650</u>	
Deficit of Revenue Under Expenditures	<u>- 0 -</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	
Other Financing Sources:					
Transfer from Capital Reserve		5,100	5,100	5,100	
Total Other Financing Sources		<u>5,100</u>	<u>5,100</u>	<u>5,100</u>	
Excess of Revenues and Other Financing Sources Over Expenditures	<u>- 0 -</u>	<u>100</u>	<u>100</u>	<u>100</u>	
Fund Balance, July 1	<u>(100)</u>		<u>(100)</u>	<u>(100)</u>	
Fund Balance, June 30	<u>\$ (100)</u>	<u>\$ 100</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Recapitulation:					
Restricted				<u>\$ - 0 -</u>	

STATISTICAL SECTION
(UNAUDITED)

This part of the District’s Annual Comprehensive 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

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
ACCURAL BASIS OF ACCOUNTING
UNAUDITED

June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 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	\$ 19,473,510
Restricted	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	14,036,200
Unrestricted/(Deficit)	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)	(8,953,711)
Total Governmental Activities Net Position	\$ 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	\$ 24,555,999
Business-type Activities										
Investment in Capital Assets	\$ 294,393	\$ 269,565	\$ 244,969	\$ 224,898	\$ 203,279	\$ 181,660	\$ 160,041	\$ 138,139	\$ 119,846	\$ 106,487
Unrestricted	311,513	263,545	244,348	162,169	155,252	308,584	508,092	579,681	506,109	737,117
Total Business-type Activities Net Position	\$ 605,906	\$ 533,110	\$ 489,317	\$ 387,067	\$ 358,531	\$ 490,244	\$ 668,133	\$ 717,820	\$ 625,955	\$ 843,604
District-wide										
Net Investment in Capital Assets	\$ 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	\$ 19,579,997
Restricted	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	14,036,200
Unrestricted/(Deficit)	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)	(8,216,594)
Total District Net Position	\$ 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	\$ 25,399,603

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
ACCURAL BASIS OF ACCOUNTING
UNAUDITED

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 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	\$ 24,308,049
Special Education	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	6,712,121
Other Special Education	310,318	274,181	307,121	364,984	299,775	322,585	510,573	358,170	235,377	189,789
School Sponsored/Other Instruction	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	1,998,829
Support Services:										
Tuition	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	2,795,555
Student & Instruction Related Services	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	9,988,634
General Administrative Services	617,134	707,478	795,701	729,656	790,157	986,508	917,354	998,662	1,049,355	1,016,703
School Administrative Services	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	3,010,025
Central Services	571,121	662,830	849,090	811,180	924,068	917,674	955,590	1,026,103	986,908	932,991
Administrative Information Technology	631,273	927,055	742,986	899,185	767,237	659,154	567,083	459,892	593,127	304,918
Plant Operations and Maintenance	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	5,517,873
Pupil Transportation	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	1,309,465
Interest on Long-term Debt	558,316	519,300	591,939	1,044,412	839,110	773,146	706,507	652,360	592,294	512,827
Capital Outlay			7,263	5,477						
Unallocated Depreciation		176,037	176,037	529,643	658,129	639,551	626,171	665,403	978,244	
Total Governmental Activities Expenses	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	58,597,779
Business-type Activities:										
Continuing Education	531,833	524,044	548,047	585,313	565,350	568,300	620,322	461,171	294,881	244,718
Food Service	196,336	193,360	204,636	213,195	237,065	576,719	714,692	295,884	234,790	828,058
Total Business-Type Activities Expense	728,169	717,404	752,683	798,508	802,415	1,145,019	1,335,014	757,055	529,671	1,072,776
Total District Expenses	\$ 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	\$ 59,670,555
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	\$ 13,107
Student and Instruction Related Services										\$ 320,450
Pupil Transportation		1,773	6,148	4,685	8,324	10,535	17,570	55,688	83,677	274,093
Operating Grants and Contributions	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	14,831,261
Capital Grants and Contributions		12,544	112,896	558,405						
Total Governmental Activities Program Revenues	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	15,438,911
Business-type Activities:										
Charges for Services:										
Continuing Education	439,049	368,329	381,778	427,144	458,677	495,940	569,952	400,661	1,619	231,935
Food Service	199,306	228,037	255,585	189,006	224,039	684,662	840,174	314,804	116,282	250,787
Operating Grants and Contributions - Food Service		48,462	71,518	79,961	90,920	95,238	99,910	88,828	319,490	806,771
Total Business-type Activities Program Revenues	638,355	644,828	708,881	696,111	773,636	1,275,840	1,510,036	804,293	437,391	1,289,493
Total District Program Revenues	\$ 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	\$ 16,728,404

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
ACCUAL BASIS OF ACCOUNTING
UNAUDITED
(Continued)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue:										
Governmental Activities	\$ (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)	\$ (43,158,868)
Business-type Activities	(89,814)	(72,576)	(43,802)	(102,397)	(28,779)	130,821	175,022	47,238	(92,280)	216,717
Total District-wide Net Expense	\$ (38,862,819)	\$ (38,993,171)	\$ (39,593,978)	\$ (41,058,882)	\$ (43,532,362)	\$ (43,368,352)	\$ (44,299,262)	\$ (45,039,965)	\$ (43,546,540)	\$ (42,942,151)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 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	\$ 47,908,417
Taxes Levied for Debt Service	838,642	846,504	950,124	1,365,293	1,942,691	1,864,180	1,978,677	1,988,822	2,012,970	2,045,584
Unrestricted Grants and Contributions	1,720,159	401,759	496,927	489,147	986,802	714,671	937,385	940,252	1,009,177	982,882
Investment Earnings and Miscellaneous Income	1,524	3,580	23,164	72,548	53,662	69,719	171,240	88,144	24,651	39,966
Miscellaneous Income	250,722	205,658	209,334	300,830	302,308	703,229	285,058	278,162	186,882	390,238
Other Item	(18,534)								(59,485)	
Insurance Recovery Related to Flood Damages		807,788								
Transfers		6,871								
Total Governmental Activities	39,504,953	39,718,925	40,530,568	42,438,622	44,903,651	46,156,930	47,514,521	48,528,123	49,751,074	51,367,087
Business-type Activities:										
Investment Earnings	\$ 41	\$ 13	\$ 9	\$ 147	\$ 243	\$ 892	\$ 2,867	\$ 2,449	\$ 415	\$ 932
Miscellaneous Income	29,583									
Special Item	(31,267)	(233)								
Total Business-type Activities	(1,643)	(220)	9	147	243	892	2,867	2,449	415	932
Total District-wide	\$ 39,503,310	\$ 39,718,705	\$ 40,530,577	\$ 42,438,769	\$ 44,903,894	\$ 46,157,822	\$ 47,517,388	\$ 48,530,572	\$ 49,751,489	\$ 51,368,019
Change in Net Position										
Governmental Activities	\$ 731,948	\$ 798,330	\$ 980,392	\$ 1,482,137	\$ 1,400,068	\$ 2,657,757	\$ 3,040,237	\$ 3,440,920	\$ 6,296,814	\$ 8,208,219
Business-type Activities	(91,457)	(72,796)	(43,793)	(102,250)	(28,536)	131,713	177,889	49,687	(91,865)	217,649
Total District	\$ 640,491	\$ 725,534	\$ 936,599	\$ 1,379,887	\$ 1,371,532	\$ 2,789,470	\$ 3,218,126	\$ 3,490,607	\$ 6,204,949	\$ 8,425,868

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted	\$ 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	\$ 13,551,233
Assigned		928,240	356,154	248,298	380,619	533,300	822,252	303,295	288,279	699,412
Unassigned	532,455	815,154	871,190	1,028,064	884,718	1,064,197	1,229,031	1,020,863	2,256,675	2,347,483
Total General Fund	\$ 3,626,891	\$ 3,771,509	\$ 2,485,314	\$ 3,065,413	\$ 3,691,168	\$ 5,045,440	\$ 6,011,246	\$ 7,225,441	\$ 11,459,639	\$ 16,598,128
All Other Governmental Funds										
Restricted	\$ 85,622	\$ 71,907	\$ 17,811,339	\$ 9,009,824	\$ 4,713,173	\$ 4,533,079	\$ 1,955,766	\$ 1,070,777	\$ 993,067	\$ 760,109
Committed	58,708	174,968	903,348	87,255	87,255	87,255	87,255	87,255		
Unassigned (Deficit), Reported in: Debt Service Fund									(100)	
Total All Other Governmental Funds	\$ 144,330	\$ 246,875	\$ 18,714,687	\$ 9,097,079	\$ 4,800,428	\$ 4,620,334	\$ 2,043,021	\$ 1,158,032	\$ 992,967	\$ 760,109
Total Governmental Funds	\$ 3,771,221	\$ 4,018,384	\$ 21,200,001	\$ 12,162,492	\$ 8,491,596	\$ 9,665,774	\$ 8,054,267	\$ 8,383,473	\$ 12,452,606	\$ 17,358,237

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Local Tax Levy	\$ 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	\$ 49,954,001
Tuition from Individuals		26,828	25,522	28,472	24,520					13,107
Tuition from Other LEAs			4,592	28,677	39,547	78,049	28,223	14,680	13,320	83,677
Transportation Fees	1,424	1,773	6,148	4,685	8,324	10,535	17,570	55,688	83,677	274,093
Rents and Royalties			76,785	85,961	132,486	127,633	161,205	94,080	5,214	89,768
Interest Earned on Capital Reserve Funds	101	2,329	3,214	449	609	5,069	40,001	34,531	8,190	15,762
Miscellaneous	250,722	318,689	201,891	482,790	289,553	642,132	285,157	273,036	540,474	662,656
State Sources	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	15,681,558
Federal Sources	590,289	960,664	797,730	1,105,895	1,048,071	970,584	837,989	807,262	1,206,926	1,756,174
Total Revenue	44,052,010	44,850,033	46,858,645	50,282,157	52,708,277	54,864,010	57,622,107	58,747,439	62,840,286	68,447,119
Expenditures										
Instruction										
Regular Instruction	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	15,698,856
Special Education Instruction	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	3,881,151
Other Special Instruction	215,809	192,571	186,693	229,197	170,664	187,413	322,504	242,887	160,154	138,888
School-Sponsored/Other Instruction	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	1,458,136
Support Services:										
Tuition	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	2,795,555
Student & Other Instruction Related Services	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	7,584,630
General Administrative Services	543,184	511,712	524,083	530,010	557,575	624,685	613,466	715,082	733,290	713,242
School Administrative Services	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	1,926,537
Central Services	465,764	466,973	542,591	492,065	533,077	505,594	534,633	641,678	596,266	568,022
Administrative Information Technology	602,217	832,683	629,266	833,117	697,518	623,303	547,364	456,370	590,247	544,531
Plant Operations and Maintenance	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	4,533,307
Student Transportation	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	1,300,501
Allocated Benefits				2,940,097	3,243,710	3,697,787	3,222,305	4,317,842	4,751,628	4,972,712
Unallocated Benefits	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	13,618,468
Capital Outlay	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	2,065,962
Debt Service:										
Principal	645,000	680,000	860,000	860,000	1,940,000	1,785,000	1,985,000	2,010,000	2,110,000	2,225,000
Interest and Other Charges	558,315	530,988	499,225	975,624	888,178	814,431	750,972	687,425	628,300	559,650
Total Expenditures	44,629,042	45,417,529	48,122,028	59,319,666	56,379,173	56,489,832	59,233,614	59,156,080	58,711,668	64,585,148
Excess/(Deficit) of Revenues	(577,032)	(567,496)	(1,263,383)	(9,037,509)	(3,670,896)	(1,625,822)	(1,611,507)	(408,641)	4,128,618	3,861,971
Over/(Under) Expenditures										

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS

MODIFIED ACCRUAL BASIS OF ACCOUNTING

UNAUDITED
(Continued)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources/(Uses)										
School Refunding Bonds Issued			\$ 18,205,000	\$ 7,350,000		\$ 2,800,000				
Serial Bonds Issued				804,913						
Bond Premium				(7,435,000)						
Serial Bonds Defeased				(114,828)						
Bond Issuance Costs				(605,085)						
Deferred amount on Refunding										
Insurance Recovery Related to Flood Damages		\$ 807,788								
Leases (Non-budgeted)			240,000							
Financed Purchases (Non-budgeted)										\$ 1,043,660
Transfers		6,871								
Other Items	\$ (18,534)								\$ (59,485)	
Total Other Financing Sources/(Uses)	\$ (18,534)	814,659	18,445,000			2,800,000			(59,485)	1,043,660
Net Change in Fund Balances	\$ (595,566)	\$ 247,163	\$ 17,181,617	\$ (9,037,509)	\$ (3,670,896)	\$ 1,174,178	\$ (1,611,507)	\$ (408,641)	\$ 4,069,133	\$ 4,905,631
Debt Service as a Percentage of Noncapital Expenditures	2.76%	2.70%	2.92%	3.09%	5.02%	4.60%	4.62%	4.56%	4.66%	4.31%

Source: Caldwell-West Caldwell School District records.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL AND INTERMEDIATE REVENUE BY SOURCE
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

Fiscal Year Ending June 30,	Trans- portation		Gate	Activity	Interest on Investments	Prior Year Refunds	E-Rate Reimbursement	Other	Total
	Tuition	Fees							
2013	\$ 24,597	\$ 1,424	\$ 38,098		\$ 672	\$ 60,665		\$ 50,586	\$ 242,530
2014	26,828	1,773	13,639		1,251	25,990		98,677	237,839
2015	30,114	6,148	12,273		448	42,898		80,144	248,810
2016	57,149	4,685	12,320		11,220	91,351		100,427	363,113
2017	64,067	8,324	15,889		11,603	37,783		116,760	386,912
2018	78,049	10,535	14,075		38,619	66,492		69,239	404,642
2019	28,223	17,570	7,057		101,572	16,847		99,949	432,423
2020	14,680	55,688	13,546		70,974	14,320		156,216	419,504
2021	13,320	83,677	5,214		23,106	71,562		110,106	306,985
2022	13,107	274,093	89,768	\$ 24,558	38,890	66,159	\$ 62,102	147,651	716,328

Source: Caldwell-West Caldwell School District records.

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 ^a	Net Valuation Taxable	Tax Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Borough of Caldwell</u>												
2012	\$ 4,583,200	\$ 809,028,850	\$ -	\$ 127,391,700	\$ -	\$ 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	-	126,905,900	-	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	-	125,410,900	-	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	-	121,488,700	-	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	-	120,879,700	-	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	-	128,263,100	-	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	-	126,859,900	-	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	-	126,330,800	-	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	-	126,814,900	-	90,397,700	1,031,022,700	3,326,000	1,034,348,700	262,732,300	1.45	1,158,963,575
2021	2,768,600	813,960,200	-	127,634,600	-	108,756,700	1,053,120,100	3,394,700	1,056,514,800	245,859,700	1.50	1,245,513,319
<u>Township of West Caldwell</u>												
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
2021	17,990,700	1,574,346,600	46,200	342,330,800	333,485,800	24,265,600	2,292,465,700	1,393,500	2,293,859,200	135,140,600	1.46	2,530,816,148

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

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

^b Tax rates are per \$100 of assessed value.

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
	General Obligation		Total Direct	Borough of Caldwell	Essex County	
	Basic Rate ^a	Debt Service ^b				
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
2021	1.44	0.06	1.50	0.81	0.57	2.88

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.

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

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

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 ^a	General Obligation Debt Service ^b	Total Direct	Township of West Caldwell	Essex County	
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
2021	1.40	0.06	1.46	0.65	0.53	2.64

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.

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

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

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	2021		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Ralf Ashland Urban Ren LLC	\$ 16,486,400	1	1.56%
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	0.85%
Caldwell Plaza Inc.	6,119,700	6	0.58%
Rumsey Park Association LLC (co/ AFLTD Mgt)	4,742,500	7	0.45%
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	0.38%
Total	<u>\$ 81,894,600</u>		<u>7.75%</u>

Taxpayer	2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Westover Associates	\$ 11,173,615	1	1.09%
Carlyle Towers, A Partnership	8,717,285	2	0.85%
Panyork Group, Inc.	7,997,189	3	0.78%
Caldwell Plaza, Inc	6,594,014	4	0.64%
Hillside Realty	6,497,629	5	0.64%
NJ Bell Atlantic	5,511,233	6	0.54%
S&S 550 Bloomfield Avenue, LLC.	4,988,889	7	0.49%
Parkview Common Apartments	4,131,997	8	0.40%
Sidebrook Associates	3,601,479	9	0.35%
Rumsey Park Assoc.	3,555,082	10	0.35%
Total	<u>\$ 62,768,412</u>		<u>6.14%</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	2021		
	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	2012		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lutheran Social Ministries, Inc.	\$ 81,000,000	1	3.63%
GR/SS Caldwell	38,433,800	2	1.72%
LTS Lohmann Therapy Sessions	32,498,600	3	1.46%
Toyota Motor Sales	32,033,900	4	1.44%
West Caldwell Plaza	22,911,600	5	1.03%
CMI Essex Property	20,420,000	6	0.92%
Mountain Ridge Country Club	19,642,900	7	0.88%
Leknarf Associates LLC	17,767,000	8	0.80%
Henderson Drive LLC	16,943,500	9	0.76%
Eagle Rock Convalescent	14,200,000	10	0.64%
Total	<u>\$ 295,851,300</u>		<u>13.26%</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> ^a		<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>				
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 -
2022	16,475,879	16,475,879	100.00%	- 0 -
<u>Township of West Caldwell</u>				
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 -
2022	33,478,122	33,478,122	100.00%	- 0 -

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

Source: 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		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Obligations Under Financed Purchases	Financed Purchases		Financed Purchases				
2013	\$ 12,830,000	\$ 317,096	\$ -	\$ -	\$ -	\$ 13,147,096	1.29%	\$ 705	
2014	12,150,000	225,115	-	-	-	12,375,115	1.16%	661	
2015	29,495,000	325,888	-	-	-	29,820,888	2.67%	1,585	
2016	28,550,000	185,890	-	-	-	28,735,890	2.51%	1,523	
2017	26,610,000	-	-	-	-	26,610,000	2.25%	1,410	
2018	27,625,000	-	-	-	-	27,625,000	2.31%	1,465	
2019	25,640,000	-	-	-	-	25,640,000	2.06%	1,359	
2020	23,480,000	-	-	-	-	23,480,000	1.77%	1,251	
2021	21,210,000	1,043,660	-	-	-	22,253,660	1.60%	1,129	
2022	18,850,000	779,785	-	-	-	19,629,785	1.41%	996	

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

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

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 ^a	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
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%	1,076
2022	18,850,000	- 0 -	18,850,000	0.56%	957

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

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

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

Source: Caldwell-West Caldwell School District Financial Reports.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes:			
Borough of Caldwell	\$ 49,065,447	100.000%	\$ 49,065,447
Township of West Caldwell	31,897,816	100.000%	31,897,816
Essex County General Obligation Debt:			
Borough of Caldwell Share	680,439,442	1.317%	8,959,698
Township of West Caldwell Share	680,439,442	2.676%	18,205,625
Subtotal, Overlapping Debt			108,128,586
Caldwell-West Caldwell School District Direct Debt			19,800,000
Total Direct and Overlapping Debt			<u>\$ 127,928,586</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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 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	\$ 149,881,543
Total Net Debt Applicable to Limit	12,830,000	12,150,000	29,495,000	28,550,000	26,610,000	27,625,000	25,640,000	23,480,000	21,210,000	18,850,000
Legal Debt Margin	\$ 124,177,357	\$ 121,345,293	\$ 101,389,976	\$ 102,869,808	\$ 107,928,024	\$ 112,555,783	\$ 118,089,131	\$ 122,579,333	\$ 125,867,434	\$ 131,031,543
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	9.36%	9.10%	22.54%	21.72%	19.78%	19.71%	17.84%	16.08%	14.42%	12.58%

Legal Debt Margin Calculation for Fiscal Year 2022

	Borough of		Township of	Total
	Caldwell			
Equalized valuation basis:				
2021	\$1,286,960,895	\$2,591,528,035	\$3,878,488,930	
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	
			11,241,115,738	
Average Equalized Valuation of Taxable Property			\$3,747,038,579	
Debt Limit (4% of average equalization value) ^a			\$ 149,881,543	
Net Bonded School Debt			18,850,000	
Legal Debt Margin			\$ 131,031,543	

^a Limit set by NISA 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 ^a	Essex County Per Capita Personal Income ^b	Borough of Caldwell Personal Income ^c	Unemployment Rate ^d
2013	7,918	\$ 54,544	\$ 431,879,392	6.50%
2014	7,928	57,133	452,950,424	5.40%
2015	7,953	59,395	472,368,435	5.10%
2016	7,980	60,735	484,665,300	4.50%
2017	7,986	62,659	500,394,774	3.80%
2018	7,975	63,521	506,579,975	3.40%
2019	7,977	65,927	525,899,679	3.60%
2020	7,943	70,497	559,957,671	8.70%
2021	8,831	70,497 *	622,559,007	5.10%
2022	8,831 **	70,497 *	622,559,007 ***	N/A

* - Latest Essex County per capita personal income available (2020) was used for calculation purposes.

** - Latest population data available (2021) was used for calculation purposes.

*** - Latest available population data (2021) and latest available Essex County per capita personal income (2020) was used for calculation purposes.

N/A - Information is not available.

Sources:

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

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

Township of West Caldwell

Year	Population ^a	Essex County Per Capita Personal Income ^b	Township of West Caldwell Personal Income ^c	Unemployment Rate ^d
2013	10,722	\$ 54,544	\$ 584,820,768	4.00%
2014	10,803	57,133	617,207,799	5.10%
2015	10,867	59,395	645,445,465	4.10%
2016	10,882	60,735	660,918,270	4.00%
2017	10,880	62,659	681,729,920	3.80%
2018	10,886	63,521	691,489,606	3.20%
2019	10,886	65,927	717,681,322	4.40%
2020	10,828	70,497	763,341,516	8.90%
2021	10,876	70,497 *	766,725,372	5.20%
2022	10,876 **	70,497 *	766,725,372 ***	N/A

* - Latest Essex County per capita personal income available (2020) was used for calculation purposes.

** - Latest population data available (2021) was used for calculation purposes.

*** - Latest available population data (2021) and latest available Essex County per capita personal income (2020) was used for calculation purposes.

N/A - Information is not available.

Sources:

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

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

Employer	2021		
	Employees	Rank	Percentage of Total Employment
Prudential Ins. Co. of America	49,705	1	13.99%
St. Barnabas Health Care System	24,600	2	6.92%
Rutgers University-Newark Campus	23,980	3	6.75%
Verizon	15,000	4	4.22%
Public Service Electric & Gas	12,945	5	3.64%
New Jersey Transit	11,500	6	3.24%
City of Newark	10,001	7	2.81%
Montclair State University	7,900	8	2.22%
Newark Board of Education	7,050	9	1.98%
Gateway Group One	6,250	10	1.76%
	<u>168,931</u>		<u>47.54%</u>
Total Employment	<u>355,346</u>		

Employer	2012		
	Employees	Rank	Percentage of Total Employment
St. Barnabas Health Care System	23,000	1	6.93%
Verizon	17,100	2	5.15%
Prudential Ins. Co. of America	16,850	3	5.08%
University of Medicine and Dentistry of NJ	15,500	4	4.67%
Continental Airlines	11,000	5	3.31%
Newark Board of Education	7,050	6	2.12%
Automatic Data Processing	5,649	7	1.70%
New Jersey Transit	4,000	8	1.21%
City of Newark	4,000	9	1.21%
Essex County	3,900	10	1.18%
	<u>108,049</u>		<u>32.56%</u>
Total Employment	<u>331,862</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>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>	<u>2022</u>
Instruction:										
Regular	164	160	165	165	159	164	164	166	181	173
Special Education	46	47	45	45	50	55	57	59	57	57
Other Special Education	8	8	7							
Support Services:										
Student & Instruction Related Services	54	55	42	41	41	41	41	42	45	44
School Administration	24	24	23	22	22	21	22	22	28	27
General Administration	5	5	4	4	5	5	5	6	7	11
Central Services	6	6	6	7	6	7	7	7	6	7
Plant Operations and Maintenance	36	37	36	35	32	35	34	33	39	37
Pupil Transportation	4	2	2	2	2	5	7	8		1
Total	347	344	330	321	317	333	337	343	363	357

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 ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Pupil/Teacher Ratio			High School	Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School						
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	2,685	45,180,760	16,827	1.82%	238	1:10	1:11	1:12	2,652	2,527	0.65%	95.29%	
2016	2,649	47,102,641	17,781	5.67%	238	1:10	1:11	1:12	2,658	2,566	0.23%	96.54%	
2017	2,649	48,788,893	18,418	3.58%	233	1:10	1:11	1:12	2,614	2,508	-1.66%	95.94%	
2018	2,620	50,243,555	19,177	4.12%	238	1:10	1:11	1:12	2,621	2,493	0.27%	95.12%	
2019	2,617	53,234,970	20,342	6.08%	238	1:10	1:11	1:12	2,626	2,515	0.19%	95.77%	
2020	2,702	54,265,367	20,083	-1.27%	242	1:10	1:11	1:12	2,687	2,605	2.32%	96.95%	
2021	2,623	55,480,542	21,152	5.32%	238	1:10	1:11	1:12	2,623	2,545	-2.38%	97.03%	
2022	2,580	59,734,536	23,153	15.28%	235	1:10	1:11	1:12	2,583	2,449	-3.87%	94.81%	

Note: Enrollment based on annual October District count.

- ^a Operating expenditures equal total expenditures less debt service and capital outlay.
- ^b 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.
- ^c Teaching staff includes only full-time equivalents of certificated staff.
- ^d 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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	307	320	326	294	294	273	273	276	264	269
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	256	252	246	237	237	246	251	257	260	248
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	372	354	346	360	360	367	354	397	369	382
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	245	248	298	288	288	250	240	257	253	254
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	647	637	626	633	633	628	638	642	623	566
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	781	792	801	795	795	806	811	823	832	833

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

District Building	2013	2014	2015	2016	2017	2018	2019	2021	2021	2021	2022
Harrison School Building	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759	35,759
Square Feet	23	34	42	42	42	50	50	50	50	22	28
Enrollment - PSD	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250	4,250
Maintenance Shop	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Square Feet											
Field House											
Square Feet											

Number of Schools at June 30, 2022

- 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
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
2022	161,421	152,066	172,064	156,979	161,185	286,652	251,464	1,341,831

* 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, 2022
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 /Occurrence	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

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 "Office"), 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2023.

Report on 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 or significant deficiencies may exist that were not identified.

The Honorable President and Members
of the Board of Education
Caldwell-West Caldwell School District
Page 2

Report on 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 27, 2023
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell

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

Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

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

Opinion on 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

The Honorable President and Members
of the Board of Education
Caldwell-West Caldwell School District
Page 2

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

The Honorable President and Members
of the Board of Education
Caldwell-West Caldwell School District
Page 3

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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

January 27, 2023
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 EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Assistance Listing Number	Federal Grantor/Pass Through Grantor/Program/Cluster Title	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2021		Cancellation of Prior Year Encumbrances	Balance at June 30, 2022	
					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:									
10.555	Food Distribution Program	N/A	7/1/21-6/30/22	\$ 23,974	\$ 23,974	\$	(22,287)	\$ 1,687	
10.555	Food Distribution Program	N/A	7/1/20-6/30/21	20,831	\$ 3,460		(3,460)		
10.555	COVID-19 - Seamless Summer Option	N/A	7/1/21-6/30/22	752,902	687,516		(752,902)	\$ (65,386)	
10.555	COVID-19 - Seamless Summer Option	N/A	7/1/20-6/30/21	285,087	40,361				
10.555	COVID 19 - Emergency Operational Cost Reimbursement Program	N/A	7/1/21-6/30/22	9,193	9,193		(9,193)		
	Total Child Nutrition Cluster				761,044	3,460	(787,842)	(65,386)	1,687
10.649	COVID 19 - Pandemic Electronic Benefit Transfer (P-EBT)	N/A	7/1/21-6/30/22	1,242	1,242		(1,242)		
	Total Child Nutrition Cluster / U.S. Department of Agriculture				762,286	3,460	(789,084)	(65,386)	1,687
<u>U.S. Department of Education:</u>									
Passed-through State Department of Education:									
Special Revenue Fund:									
Elementary and Secondary Education Act:									
84.010	Title I	ESEA066022	7/1/21-9/30/22	303,397	160,578		(290,453)	(129,875)	
84.010	Title I	ESEA066021	7/1/20-9/30/21	277,974	29,948	(29,948)			
	Total Title I				190,526	(29,948)	(290,453)	(129,875)	
84.367	Title II A	ESEA066022	7/1/21-9/30/22	49,854	21,000		(24,694)	(3,694)	
	Total Title II				21,000		(24,694)	(3,694)	
84.365	Title III	ESEA066022	7/1/21-9/30/22	18,034	6,471		(13,767)	(7,296)	
84.365	Title III	ESEA066021	7/1/20-9/30/21	25,860	10,655	(10,655)			
	Total Title III				17,126	(10,655)	(13,767)	(7,296)	\$ 220
84.365	Title III - Immigrant	ESEA066022	7/1/21-9/30/22	4,666	2,000		(2,667)	(667)	220
84.365	Title III - Immigrant	ESEA066021	7/1/20-9/30/21	2,878	1,036	(1,036)			
	Total Title III - Immigrant				3,036	(1,036)	(2,667)	(667)	
84.424	Title IV	ESEA066022	7/1/21-9/30/22	29,885	12,390		(24,312)	(11,922)	
	Total Title IV				12,390		(24,312)	(11,922)	
Education Stabilization Fund:									
84.425D	COVID 19 - CARES Emergency Relief	CARES066022	3/13/20-9/30/22	175,233	6,061		(19,979)	(13,918)	
84.425D	COVID 19 - CRRSA: ESSER II	S425D210027	3/13/20-9/30/23	629,044	562,275	(63,463)	(565,581)	(62,876)	3,893
84.425D	Learning Acceleration	S425D210027	3/13/20-9/30/23	40,369	40,369		(40,369)		
84.425D	Mental Health	S425D210027	3/13/20-9/30/23	45,000	45,000		(45,000)		
	Total Education Stabilization Fund				653,705	(63,463)	(670,929)	(76,794)	3,893

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2021		Cash Received	Budgetary Expendi- tures	Cancellation of Prior Year Encum- brances	Balance at June 30, 2022		Amounts Provided to Subrecipients
					Budgetary Accounts Receivable	Budgetary Unearned Revenue				Budgetary Accounts Receivable	Budgetary Unearned Revenue	
U.S. Department of Education: (Cont'd)												
Passed-through State Department of Education: (Cont'd)												
Special Revenue Fund: (Cont'd)												
Special Education Cluster (IDEA):												
COVID 19 - ARP - I.D.E.A. Part B, Basic	84.027X	IDEA066022	7/1/21-9/30/22	\$ 126,346			\$ (123,930)			\$ (123,930)		
ID.E.A. Part B, Basic	84.027	IDEA066022	7/1/21-9/30/22	626,611		\$ 544,532	(580,515)			(35,983)		
COVID 19 - ARP - I.D.E.A. Part B, Preschool	84.173X	IDEA066022	7/1/21-9/30/22	10,783			(10,783)			(10,783)		
ID.E.A. Preschool	84.173	IDEA066022	7/1/22-9/30/22	20,329		19,000	(19,300)			(300)		
Total Special Education Cluster (IDEA)						563,532	(734,528)			(170,996)		
Total U.S. Department of Education						1,461,315	(1,761,350)	\$ 4,113		(401,244)	\$ 220	
U.S. Department of Health and Human Services:												
Medicaid Cluster:												
Medicaid Assistance Program	93.778	N/A	7/1/21-6/30/22	23,712		23,712	(23,712)					
Total U.S. Department of Health and Human Services/Total Medicaid Cluster						23,712	(23,712)					
Total Federal Awards						\$ 3,460	\$ 2,247,313	\$ 4,113		\$ (466,630)	\$ 1,687	\$ -0-

N/A - Not Available/Applicable

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at		MEMO	
				June 30, 2021					June 30, 2022			
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		Budgetary Receivable
State Department of Education:												
General Fund State Aid:												
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 1,859,529		\$ 1,676,960	\$ (1,859,529)			\$ (182,569)	\$ 1,859,529		
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	226,292		204,074	(226,292)			(22,218)	226,292		
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	342,698		309,052	(342,698)			(33,646)	342,698		
Excess Nonpublic Transportation Costs	22-495-034-5120-014	7/1/21-6/30/22	41,180			(41,180)			(41,180)	41,180		
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	1,061,123			(1,061,123)			(1,061,123)	1,061,123		
Securing Our Children's Future Bond Act	N/A	7/1/20-6/30/22	148,190		148,190	(148,190)				148,190		
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,562,787		1,487,046	(1,562,787)			(75,741)	1,562,787		
On-Behalf TPAF Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	1,832,024		1,832,024	(1,832,024)				1,832,024		
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	7,732,121		7,732,121	(7,732,121)				7,732,121		
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	109,089		109,089	(109,089)				109,089		
On-Behalf TPAF Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	3,054		3,054	(3,054)				3,054		
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	1,360,040	\$ (126,391)	126,391					1,360,040		
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	226,292	(21,030)	21,030					226,292		
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	343,698	(31,848)	31,848					343,698		
Excess Nonpublic Transportation Costs	21-495-034-5120-014	7/1/20-6/30/21	33,350	(33,350)	33,350					33,350		
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/20-6/30/21	977,680	(977,680)	977,680					977,680		
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	1,529,803	(74,364)	74,364					1,529,803		
Subtotal - General Fund				(1,264,663)	14,766,273	(14,918,087)			(1,178,044)	19,388,950		
Debt Service Fund Aid:												
Debt Service Aid - State Support	22-495-034-5120-075	7/1/21-6/30/22	734,066		734,066	(734,066)				734,066		
Subtotal - Debt Service Fund												
State Department of Education:												
Food Service Fund:												
COVID-19 - Seamless Summer Option	22-100-010-3350-023	7/1/21-6/30/22	17,687		16,183	(17,687)			(1,504)	17,687		
COVID-19 - Seamless Summer Option	21-100-010-3350-023	7/1/20-6/30/21	13,877	(3,681)	3,681					13,877		
Subtotal - Food Service Fund				(3,681)	19,864	(17,687)			(1,504)	31,564		

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at		MEMO	
				June 30, 2021	June 30, 2022				GAAP Accounts Receivable	Due to Grantor		Budgetary Receivable
Special Revenue Fund Aid:												
Nonpublic Handicapped Services:												
Supplementary Instruction	22-100-034-5120-067	7/1/21-6/30/22	\$ 14,868	\$ 4,777	\$ 14,868	\$ (14,868)	\$ (4,777)		\$ 1		\$ 14,868	
Supplementary Instruction	21-100-034-5120-067	7/1/20-6/30/21	16,271		18,962	(18,961)	(9,850)				11,494	
Examination and Classification	22-100-034-5120-067	7/1/21-6/30/22	18,962	9,850	13,144	(13,144)					18,961	
Examination and Classification	21-100-034-5120-067	7/1/20-6/30/21	23,789		24,528	(24,528)					13,939	
N.J. Nonpublic Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	13,144		9,198	(9,198)					13,144	
N.J. Nonpublic Nursing Aid	22-100-034-5120-070	7/1/21-6/30/22	24,528		38,325	(38,325)					24,528	
N.J. Nonpublic Technology Initiative	22-100-034-5120-067	7/1/21-6/30/22	9,198		63,448	(63,448)					9,198	
N.J. Nonpublic Security Aid	22-100-034-5120-067	7/1/21-6/30/22	38,325								38,325	
School Development Authority:												
Emergent & Capital Maintenance Needs	N/A	7/1/21-6/30/22	63,448								63,448	
Subtotal - Special Revenue Fund				14,627	182,473	(182,472)	(14,627)		1		207,905	
Total State Department of Education				14,627	15,702,676	(15,852,312)	(14,627)		1	\$ (1,417,981)	20,362,485	
Total State Awards				\$ (1,268,344)	\$ 15,702,676	\$ (15,852,312)	\$ (14,627)		\$ 1	\$ (1,417,981)	\$ 20,362,485	
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	(1,832,024)								1,832,024	
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	(7,732,121)								7,732,121	
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	(109,089)								109,089	
On-Behalf TPAF Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	(3,054)								3,054	
Subtotal - On-Behalf TPAF Pension System Contributions											9,676,288	
Total State Awards Subject to Single Audit Major Program Determination											\$ (6,176,024)	

N/A - Not Available/Applicable

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

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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, 2022. 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 (\$59,164) for the General Fund and (\$178,686) for the Special Revenue Fund (of which (\$55,895) is attributable to local grants). See Note 1D for a reconciliation of the budgetary basis to the GAAP basis of accounting for the General and Special Revenue Funds.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(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	\$ 23,712	\$ 14,858,923	\$ 14,882,635
Special Revenue Fund	1,732,462	88,569	1,821,031
Debt Service Fund		734,066	734,066
Food Service Fund	789,084	17,687	806,771
Total Awards	<u>\$ 2,545,258</u>	<u>\$ 15,699,245</u>	<u>\$ 18,244,503</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, 2022.

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a 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 Required by the Uniform Guidance and NJ OMB 15-08*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following:

	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Child Nutrition Cluster:				
Food Distribution Program	10.555	7/1/21-6/30/22	\$ 23,974	\$ 22,287
Food Distribution Program	10.555	7/1/20-6/30/21	20,831	3,460
COVID 19 - Seamless Summer Option	10.555	7/1/21-6/30/22	752,902	752,902
COVID 19 - Emergency Operational Cost Reimbursement Program	10.555	7/1/21-6/30/22	9,193	9,193
<u>State:</u>				
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	1,859,529	1,859,529
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	226,292	226,292
Extraordinary Special Education Costs Aid	22-100-034-5120-044	7/1/21-6/30/22	1,061,123	1,061,123

CALDWELL-WEST CALDWELL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Summary of Auditors' Results: (Cont'd)

- 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.

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, 2022

Status of Prior Year Findings:

The District had no prior year audit findings.